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Established 1887

First Woman Elected
To French Academy

By Flora Lewis

PARIS, March 6 (NYT) — Novelist Marguerite Yourcenar was elected today by a vote of 20-12 as the first woman member of the French Academy since it was founded by Cardinal Richelieu in 1635.

It was a double defeat for chauvinists, or a defeat for double chauvinists, since in addition to being a woman, Miss Yourcenar has been a U.S. citizen for more than 25 years. She lives on Mount Desert Island in Maine and said recently that she intends to stay there and to keep her American passport. Last summer her French nationality was restored through the special efforts of Alain Peyrefitte, an academician who is France's minister of justice.

The election was preceded by an even more intense and secretive campaign of intrigue, persuasion and argument than normal for the sharply contested right to succeed to one of the academy's 40 seats.

Her admission was a particular triumph for Jean d'Ormesson, 55-year-old editor and writer, who proposed her candidacy and argued that the time had come to

welcome a woman to the august institution. No one challenged Miss Yourcenar's professional and artistic qualifications. She has written a number of distinguished historical works, of which the best-known is "Memoirs of Hadrian," about second-century Rome, and is considered a first-rate classicist. She has also translated ancient Greek poetry.

Dove in Rabbit Hutch

But her opponents were equally vehement. Jean Guizon, an 80-year-old academician who is also a writer and classicist but little known outside French literary circles, reflected in his comments about the election, which took place privately in the academy's second-floor "work-room," where members meet occasionally on their perpetual task of revising the French dictionary. "A woman, as a woman, simply has no place in the academy," he said, adding that "of course, I have a great deal of admiration for her work. But it is like putting a dove in the rabbit hutch. Adding one inhabitant like that makes the place overpopulated."



Marguerite Yourcenar

The academy has survived over 300 years without women, and it could survive another 300 without them.

The academicians, most of them very elderly, attended the long-awaited meeting dressed in business suits and most of them had a rosette or a ribbon in the lapel signifying other high French honors. When it comes time for Miss Yourcenar to make her maiden speech at the formal ceremony, she will be the first woman to do so.

(Continued on Page 2, Col. 3)

Militants Offer to Give Custody
Of U.S. Hostages to Iran Officials

From Agency Dispatches

TEHRAN, March 6 — Iranian militants said today that they would turn over the American hostages to Iran's ruling Revolutionary Council. The council accepted the offer, which represented a major about-face on the part of the militants and appeared to surprise Iranian authorities.

The hostages, estimated to total 50, have been held in the U.S. Embassy here since Nov. 4. Foreign Minister Sadegh Ghotbzadeh told reporters after a meeting of the council. "The militants have sent a message saying they will abandon their guarding of the hostages. The Revolutionary Council tonight has accepted that."

In Washington, Carter administration officials were restrained in their comments. "Because of the extraordinary delicacy of the situation, I'll limit myself to saying that we have noted what has been said in Tehran and we're now watching to see what is being implemented," U.S. national security adviser Zbigniew Brzezinski said.

"Remember, nothing has happened yet," said Hudding Carter 3d, the State Department spokesman. "A statement has been made which we have noted. We are going to see what happens."

Relatives of the hostages also were cautious. "I've been disappointed too many times. The only thing I'm going to believe is when they're on the plane and on their way home," said Marjorie Moore of Mount Vernon, Ohio. She is the wife of hostage Bert Moore.

The council agreed to assume custody of the hostages and said it would set up a special commission that would meet tomorrow to look into arrangements for transferring responsibility for them.

A militant spokesman said earlier today that the militants planned to stay in the embassy. If the council wanted to take over custody of the hostages, it would have to remove them from the compound, the spokesman said.

A militant spokesman said that the Iranian authorities had pressured them to allow a United Nations commission to pay a humanitarian visit to the hostages. A statement by the militants today said that they still opposed such a visit.

but were prepared to pass responsibility for the hostages to the government.

The militants said they disagreed with the government's stand approving the visit of the UN panel but that they did not want to be accused of weakening the revolutionary regime.

"As we have announced in our earlier statements, we believe that our dealing with the United States should be from a position of strength. And since the proposal for a meeting between the UN commission and the hostages had come from the United States, the grand satan, and not from the Iranian people, we rejected it," the militants said.

"But since the officials and those overseeing the matters regard our position as an infringement on the authority of the government, we therefore invite the Revolutionary Council to take over the hostages from us, because we do not want to

be embroiled in a cause which is in the interest of our enemy and which will lead to no benefit for our people," they added.

Mr. Ghotbzadeh, asked tonight when the UN commission would see the hostages, said, "As soon as the first step is cleared up."

Asked about the status of the hostages, he said, "They are hostages and they remain hostages." On speculation that the development could speed their release, he said, "You are jumping too far ahead."

Mr. Ghotbzadeh made it clear that the Iranian government still considers the Americans hostages. "Our conditions are rather clear" for their release, he said, apparently referring to the three conditions set down by President Abolhasan Bani-Sadr. They are: a U.S. government admission of guilt in interference in past Iranian affairs, a pledge not to do so in the future and a promise not to block Iranian efforts to extradite the deposed shah and his "stolen wealth."

No answers. Mr. Ghotbzadeh said he could not answer questions about whether the hostages would be removed from the embassy and where they would be held. Those arrangements would be handled by the as-yet-undefined commission, he said.

Iranian authorities have said a final decision on the hostages will not be made until April or May. There was no immediate indication today whether the Americans might be freed.

The decision by the radicals to give up responsibility for the hostages, first reported by Tehran Radio, (Continued on Page 2, Col. 6)



An Islamic revolutionary guard outside U.S. Embassy in Tehran Thursday reads the announcement that the militants will turn over the U.S. hostages to Iran's Revolutionary Council.

Withdrawal of Monitoring Forces Set

Goodwill Greets Mugabe's Win

By Caryle Murphy

ALISBURY, March 6 (WP) — Mugabe's electoral triumph not ushered in the chaos, confusion and flight of whites that many feared it would bring. Instead, there are many hopeful signs that transition to black majority rule for the socialist-inclined leader is to work better than expected. British officials announced today that cooperation between the Rhodesian security forces and their guerrilla enemies at the assembly camps set up under the two-year-old cease-fire is going so well that all British Commonwealth monitoring forces will be withdrawn over the next three days.

A addition more than 22,000 troops loyal to Bishop Abel Muzorewa, who was roundly defeated in the three-day election last week, have not moved to dispute election results.

Eddison Zvobgo, Mr. Mugabe's spokesman, announced today that curfew and martial law would be lifted "soon."

The outpouring of support for Mr. Mugabe and his party in the election has brought about some of the most optimistic signs as well. The police have asked Mr. Mugabe to move quickly to end emergency legislation and martial law that has hundreds of blacks behind bars. It is a sign of confidence in the new government, which is "assisting terrorists," concealing the presence of terrorists and stockpiling.

The police told Mr. Mugabe of-

ficials that the charges against these people are an "embarrassment," according to well-informed sources.

In another small change, the military authorities have not issued any daily war communiques since the results were announced.

Tensions are down. When a reporter asked Mr. Zvobgo about the relative issue of South African soldiers seconded to the Rhodesian army, he calmly replied, "I don't think it's a contentious issue anymore. Those people who are not Zimbabweans (Rhodesians), if we don't want them here, they will go." Mention of the South Africans drew blistering attacks from Mr. Zvobgo in the past.

Reaction to Mr. Mugabe's victory in the white officer corps of the Rhodesian military was character-

ized as "stodgy" by one of its members. Although nearly 100 of the approximately 600 white officers gave notice some weeks ago of their intention to resign April 30, there have not been mass immediate resignations since the election results were announced Tuesday morning.

Whites have outwardly adopted a cooperative attitude. Mr. Zvobgo has said that the white-dominated civil service has been helpful in giving his party all the information it needs for a study into a restructuring of government departments now going on.

A spokesman for Mr. Mugabe's party said that the new Cabinet would include "non-black" members — a pointed reversal of the term "non-white" used by whites to refer to blacks for so many years.

Responding to Soviet Afghan Move

EEC Tightens Link to Eastern Neighbors

By Murray Seeger

BRUSSELS, March 6 (LAT) — While they have differed with Washington over the issue of retaliation against Moscow for the intervention in Afghanistan, the nine members of the European Common Market have moved quickly to strengthen relations with Yugoslavia, Turkey and Romania.

The EEC, in clear decisions over the last few weeks, has given new priority to moving closer to the three countries, all in sensitive positions in relation to the Soviet Union.

Although the Common Market already had lines of communication of a different sort with each country, new fears of Soviet expansionism in light of the Afghanistan crisis and the expected death of President Tito triggered new activity at the community's headquarters in Brussels.

The foreign ministers decided to encourage closer ties with Yugoslavia, Turkey and Romania at the same meeting early last month at which they could not agree on supporting President Carter's request to delay, move or boycott the Moscow Summer Olympic Games.

In its actions to woo its three eastern neighbors, the Common Market agreed to accelerate negotiations with Yugoslavia for a new trade agreement to replace the one that has been extended since its formal expiration in 1978.

The Yugoslavians, stung when the EEC put an embargo on purchases of beef a few years ago, wanted a reduction in tariffs and other restrictions to make it easier to sell their goods in Western Europe.

Between 1973 and 1978, the period of the previous trade agreement, the Yugoslav trade deficit with the EEC rose from \$886 million to \$2.7 billion.

The same period saw the Yugoslav trade relationship with Moscow and its group of trading partners, called Comecon, rise from 31 percent of Belgrade's trade to more than 40 percent.

While Yugoslavia has been independent of Moscow for more than 30 years, the growth of its trade with the eastern Communist bloc suggested a strong pull away from Belgrade's official stance of political nonalignment.

Still, until the Afghanistan inter-

vention and Tito's illness, the Common Market had moved slowly in its trade talks.

A stronger economic tie with Yugoslavia has offered to allow — without duty — the entry of many industrial products viewed as a threat just a few weeks before.

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Vance, McHenry Summoned to Hearings

Senators Want Full Accounting of UN Vote

By Terence Smith

WASHINGTON, March 6 (NYT) — The Senate Foreign Relations Committee will hold public hearings next week on the controversial U.S. vote against Israel in the United Nations and its subsequent renunciation by President Carter, committee sources said yesterday.

A step that seemed certain to prolong the political controversy over the vote, the committee decided to summon Secretary of State Cyrus Vance, Ambassador to the United Nations Donald McHenry and other State Department officials for a full accounting of the episode.

In addition, the sources said, the complete "document trail," including the written instructions provided to Mr. McHenry, will be sought to resolve the confusion over the "failure in communications" to which the White House has attributed the vote.

Resolution of Inquiry

"I and a lot of others on the Hill are still baffled by the whole episode," Sen. Frank Church, D-Idaho, said. "Hearings are the only way to get to the bottom of it." The Foreign Relations Committee's hearings will open on Thursday.

Sen. Church said it was unclear to him as to whether the administration had in fact cast the vote condemning Israel's settlement policy on purpose or as a result of internal

confusion. "Either way it is a sorry episode," he said. In a separate development, Reps. Elizabeth Holtzman of New York and Christopher Dodd of Connecticut introduced a formal resolution of inquiry requiring Mr. Carter to turn over to the House all information and facts regarding the vote. Under House rules, a resolution of

inquiry is privileged and may be brought to the floor for immediate action by the House if it is not acted on by committee in seven days. Counting that, the White House explanations of the incident are not credible, Rep. Holtzman said the resolution would enable the House to get the full facts. The political controversy sur-

rounding the incident mounted yesterday with attacks on the administration's handling of the matter by Republican national chairman Bill Brock and others. Several administration spokesmen conceded that the affair had hurt the president politically, although they said they thought the damage would pass.

In Chicago, where he was campaigning, Vice President Mondale at a press conference brushed off suggestions that pressure from Israeli and American Jewish leaders had caused the about-face. "That had nothing to do with it," he said.

"It was just as the president put it, Mr. Mondale said, 'a mistake was made. And when a mistake is made, the honest thing is to admit it.'"

Despite this and other statements, White House officials said privately yesterday that they were concerned that the president's account of the incident apparently was not being believed by many on Capitol Hill and among the public.

"Not Believed." "The alarming part of this is that, after the president had the courage to admit the mistake, he is not being believed," a senior aide said. The controversy vote was cast Saturday, when the Security Council unanimously condemned Israel's establishment of settlements in the occupied West Bank and Gaza. Although the United States has long opposed the settlements on the grounds that they are illegal and an obstacle to peace, it has abstained when similar resolutions have come up in the past.

On Monday, Mr. Carter disavowed the vote, saying that his instructions had been misunderstood, and Tuesday Mr. Vance publicly accepted blame for the "failure in communications."

State Department spokesman Hudding Carter 3d acknowledged that the international reaction "could have been more favorable." The vote and the rollback have been criticized by both the Arabs and Israelis, and several West European countries have expressed their dismay to American diplomats.

Robert Strauss, chairman of the Carter-Mondale Presidential Committee, admitted yesterday that the incident had been "a bad mistake, badly handled," and that it had hurt the president's re-election efforts.

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of Goldie Hawn

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Tawny-haired beauty
is choreographer's
"living legacy"

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Kremlin Makes Patient Headway In Courting Rightist Argentina

By David F. Belnap

BUENOS AIRES, March 6 (LAT) — In Argentina and elsewhere in Latin America, the Soviet Union is making a skillful effort to expand its influence, after what has been described here as a U.S. policy of strategic retrenchment and low profile in the region.

Soviet progress has gained momentum, according to a book by James Theberge, a U.S. political scientist and diplomat. "Soviet influence has grown not because of the spread of Communist ideology... but as a result of efforts made on different levels to make friends — especially in support of the Latin American countries in their disputes with the United States."

Mr. Theberge's study was published five years ago, but the momentum he mentioned is even more apparent today. In small, democratic Costa Rica, the Soviet Union grants hundreds of scholarships every year for study in Russian institutions. These are handed out through local Communist Party offices in each community, with great fanfare in the press.

Frankly Rightist

In Peru, where a military government is concluding a 12-year-old experiment in "military socialism," the Russians have sold more planes, tanks and other hardware and implanted more technicians than anywhere else in the hemisphere outside Cuba. The Russians on the scene keep their ideological profiles low in deference to their official hosts, who, although they lean leftward, are anti-Communist.

In Argentina, where the military government is frankly rightist, there is little public evidence that the Russians even speak to the local Communist Party, which claims to be the largest in Latin America outside Cuba. The Soviet Embassy in the capital's poshest neighborhood, the diplomats speak Spanish idiomatically and are familiar with Argentina's political and cultural history down to the anecdotal level.

This appeals to Argentina's upper-crust intellectuals, who are regularly invited to receptions at the embassy. "In the diplomatic corps, they speak the best Spanish and are highly cultured, and they give the best parties," a conservative Roman Catholic writer said of the Russians. He confessed to a fondness for caviar.

Soviet cultural salons are well-attended at various levels of society. Regular visits of performing artists include gymnasts and the Moscow Circus, as well as classical musicians and dancers.

Argentina is the Soviet Union's "friendship" target in South America.

ca for practical reasons. It has things that the Russians need and want — food and feed grains for the most part.

The Russians would like to have access to the abundant fishing grounds in Argentina's Atlantic coastal waters, and landing rights here for their state airline, Aeroflot. They would like to sell arms to Argentina, and have been trying to do so even harder, although still unsuccessfully, since the United States ended arms sales to Argentina in 1976.

Turkish Violence Leaves 10 Dead

ANKARA, March 6 (UPI) — Shooting and bombings in eight Turkish cities killed 10 persons and wounded 24 yesterday and today, police said. Police meanwhile said that 900 terrorists had been arrested in a week.

Premier Suleyman Demirel said yesterday that the violence — at that point two soldiers had been killed trying to prevent a bank robbery by terrorists — reflected a realization on the part of leftist terrorists that security forces were closing in and were "nearly in control of the anarchy."

The most serious trouble was in the central city of Zile, 140 miles east of Ankara, where a clash between leftist and rightist students led to street fighting that left two persons dead and 14 injured.

Yamani Sees Signs of Oil Prices Stabilizing

By Youssef M. Ibrahim

RIYADH, Saudi Arabia, March 6 (NYT) — Saudi Arabia's petroleum minister, Sheikh Ahmed Zaki Yamani, said yesterday that a growing balance between oil supply and demand on world markets would make it possible to stabilize energy prices by June.

But he warned in an interview here that if the United States started to purchase oil for its strategic reserves, the move would push up prices and lead to a Saudi decision to cut back its exports.

The oil minister, whose country controls one-third of the total production of the Organization of Petroleum Exporting Countries, painted a turbulent picture of the world's energy supplies. Despite some optimism, he warned that psychological and political factors were distorting normal supply and demand, making it impossible to predict the future with any certainty.

He declined to say how long Saudi Arabia would maintain its current high production of 9.5-million barrels a day. The thrust of his remarks suggested, however, that the Saudis plan to keep the high level through the second quarter of this year. He hinted that a return to the previous ceiling of 8.5-million barrels would then be considered and he said that it was "reasonable" to expect a cutback at that time.

Price Pressures

The Saudi minister said that such tangible factors as a continuing decline in demand for oil, a daily supply surplus of one million barrels and heavy consumer stockpiling would force unification of the split

these supplies," he added. "They are hoarding. We have right now a record of over five billion barrels of stockpiling. Because of what happened in Afghanistan and the fear that there might be an interruption in the supply of oil, they are not drawing from these inventories. Under normal circumstances the present situation has to really cause a downward trend [in prices]."

He said that the one-million-barrel-a-day oil surplus was being absorbed by commercial and industrial companies that were buying all the crude oil they could get and by traders filling their oil inventories. He predicted this would change in the second quarter of this year.

"There will be a point when there is almost a lack of physical ability

to absorb the oil and when the oil prices charged by OPEC, probably in the next four months, he said that Saudi Arabia sought unified prices because of its concern for international economic stability.

Showing some anxiety, he hedged his predictions, saying that intangible factors were brought into the energy scene after the Iranian revolution and the Soviet intervention in Afghanistan.

"A new psychological factor came into the picture after the Iranian revolution," he said. "Companies are no more relaxed. They feel that they have to have their own inventories" of oil.

"They can no longer rely on the major multinational companies for

visit Mayan ruins and to do research on Mayan civilization.

Miss Yourcenar was born in Brussels on June 8, 1903, but of a French father which gave her French nationality. Her real name was Marguerite de Crayencour. She changed her last name for a *nom de plume* but kept her first, because she said it could be from any place, any class, queen or peasant.

Her mother died when she was a child and she was raised by her father, a highly cultivated man who sparked her interest in studies of many civilizations and accepted as self-evident that there is no sexual superiority or inferiority in powers of intellect.

The only previous American member of the academy is novelist Julien Green who writes in French. He obtained French nationality before his election in 1971.

Novelist Michel Droit, 57, also was elected to the academy today to a second vacant seat.

Thirty-six academicians were present for today's vote, with four of them abstaining. The required majority is 19 votes, which Miss Yourcenar surpassed by one. Her opponent, based Jean Dorst, 55-year-old director of the Museum of Natural History of Paris. The seat to which she was elected was last held by the late Roger Caillois.

Mr. Droit filled the seat of the late Joseph Kessel. He won with 19 votes against 13 for Robert Mallet.

Bienvenue à Paris



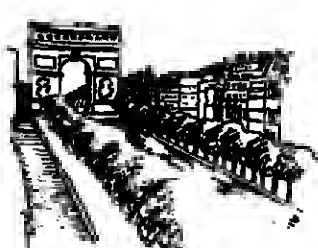
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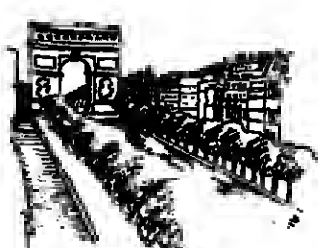
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Austrian Ambassador Edgar Selzer is embraced by friends at Bogota's airport after his release.

Bogota Guerrillas Free Austrian Envoy; Report of Safe-Conduct Offer Is Denied

BOGOTA, March 6 (UPI) — Austrian Ambassador Edgar Selzer was released today by leftist guerrillas holding the Dominican Republic Embassy. He immediately left the country for Vienna, where his wife was reported to be seriously ill. Diplomatic sources said the guer-

illas released Mr. Selzer because of the gravity of his wife's illness. He left the embassy this morning during the changing of army guards around the besieged building, got into a Red Cross van and rode to the Bogota airport.

Rumpled-looking but smiling,

Selzer embraced friends waiting at the airport and then boarded a private jet. He had been one of 15 ambassadors still held in the embassy as of Tuesday.

He was the first male ambassador released by the guerrillas since the embassy and some 50 hostages were seized Feb. 27 during a diplomatic recession. Costa Rica's ambassador to Colombia, Maria Elena Chacón, was freed along with the rest of the woman hostages shortly after the embassy was seized.

Meanwhile, a government source dismissed as speculation reports that an aircraft would be put at the guerrillas' disposal to fly them to the Middle East. Other sources had said yesterday that the government had offered a new proposal to the guerrillas that included safe conduct to Algeria, Libya or another Third World country.

No further negotiations were expected today between the government and the guerrillas, members of the left-wing April 19 Movement, or M-19. There was no firm indication of when the talks could start again, but a government source said they were not expected before tomorrow.

The British and Peruvian embassies were evacuated briefly yesterday after a telephone caller said the M-19 group had placed bombs in the missions. The call proved to be a hoax.

Among the remaining hostages at the Dominican Embassy are Ambassador Diego Asencio of the United States and Monsignor Angelo Acerbi, the papal nuncio to Colombia; six consuls or first secretaries; two charges d'affaires; and several Colombian citizens who attended the reception.

The M-19, named after 1970 elections that the group charged were rigged, has demanded freedom for 311 political prisoners, a ransom of \$50 million, safe conduct out of Colombia, and publication of a statement.

Negotiations, the second since the embassy takeover, were held yesterday for almost 24 hours. The results were not announced. A brief government communication said that "the dialogue remains open."

Militants Offer to Give Up Custody of U.S. Hostages

(Continued from Page 1)

dio, according to clear the way for the UN commission to meet with them as planned. The commission had been preparing to leave Tehran, but with the news from the embassy they decided to stay at least until tomorrow.

The militants, however, also implicitly warned the Bani-Sadr government that the "Iranian nation" would not tolerate any concession to American demands.

Tehran Radio quoted their spokesman as saying: "We ask the Revolutionary Council to take over the hostages, that is, American spies, from us and deal with them in any way it seems appropriate. Our responsibility is over for the hostages and we are sure that the Iranian nation will rectify whatever deviation that might arise in the pursuit of [Ayatollah Ruhollah] Khomeini's line."

A small group of demonstrators rallied outside the embassy today to shout support for the militants and against any compromise in the crisis.

Ayatollah Khomeini's role in the decision of the militants was not immediately clear. But the 79-year-old revolutionary leader met this morning with Mr. Bani-Sadr, who has been trying to assert control over the militants.

Of all the forces in Iran, the embassy militants have taken the toughest stand on the question of freeing the hostages. Often with the

Suarez Visits Bilbao Before Basque Vote

MADRID, March 6 (UPI) — Premier Adolfo Suarez flew to the Basque region today, three days before elections are to be held for a Basque parliament.

Sources close to the premier's Center Democratic Union Party said Mr. Suarez would spend two days in the region, attending meetings in Bilbao and Vitoria. The Basque guerrilla organization, ETA, meanwhile, appeared to be observing a voluntary cease-fire during the election campaign.

New Protests Urged

Tension Said to Rise In Afghan Capital

From Agency Dispatches

NEW DELHI, March 6 — Heavy artillery fire was heard in Kabul yesterday and tension was rising in the city on the eve of threatened anti-Russian demonstrations, travelers from Afghanistan said in New Delhi today.

A Paris newspaper said, meanwhile, that the Soviet Union had deployed launching ramps for tactical nuclear missiles in Afghanistan but diplomatic sources in New Delhi said that there was no evidence of this.

A Western diplomat said that pamphlets appearing in Kabul during the past few days had called for renewed protests against the Soviet military intervention in Afghanistan. The diplomat also said that he had seen Soviet surface-to-air missiles, apparently delivered since the last riots.

In Paris, Le Quotidien de Paris cited "totally reliable, authorized Western military sources" as saying the Soviet Union had installed "many mobile, self-propelled launching ramps for nuclear missiles" in the Kabul, Bagram and Kandahar regions. It did not say if any missiles had been deployed.

No Confirmation

Reliable diplomatic sources, who have closely monitored the situation in Afghanistan, said in New Delhi that they had received no information that could confirm the reported deployment of the launching ramps.

Afghan rebel leader Gulbuddin Hekmatyar, Amir of the Hezb-e-Islami (Islamic Party), said today in Pakistan that 110,000 persons, including 3,500 Russians, have died in fighting during the past 20 months.

In Moscow, the Soviet media today strongly denied reports that its troops dropped nerve gas on villages.

Sudan Initiates Autonomy Plan For 5 Provinces

KHARTOUM, the Sudan, March 6 (UPI) — President Gaafar Nimeiri took the first step today toward carrying out an autonomy plan for northern Sudan's five provinces.

The Sudan news agency said that Maj. Gen. Nimeiri appointed caretaker governors for the central region, which includes Khartoum, the northern region bordering on Egypt, the Darfur region in the west, the mid-west Kordofan region and the eastern region bordering on the Red Sea.

Southern Sudan has enjoyed autonomy since 1972 under a peace agreement that ended a secessionist rebellion there.

The autonomy plan for the five northern regions was decided at January's national congress of the Sudanese Socialist Union, the government party and the only legal political organization.

The decentralization plan gives regional governments wider powers but supreme authority remains with the central government, which continues to handle foreign policy and defense. The agency said that permanent governors will be appointed after constitutional procedures are completed.

Afghan Mo Spurs EEC

(Continued from Page 1)

mitting free movement of its seas workers.

Turkey last year also got its loans to reschedule debts of \$3 billion, and has indicated it would need another debt rollover worth \$1 billion this year.

While the Western financial world would help Turkey stave off a bankruptcy, the Common Market program is aimed at helping Turkey increase its export share of foreign currency income on a term basis.

Romania's Case

Romania is a different case because it is a member of the Common Market and the Mos directed Warsaw Pact.

After a delay of many months, Romania resumed its talks for a bilateral agreement that would permit more imports from the West and put relations on an equal basis.

In agreeing to more details, Romania accepted the contents of the EEC to deal in matters for all its nine members.

The market move has the goal as its new priority for reaching new agreements with Turkey, Yugoslavia, encouraging Romania to move further toward political and economic independence from Moscow.

U.S. Officials Tried to Delay Show on Shah

WASHINGTON, March 6 (UPI) — Senior U.S. officials, including Secretary of State Cyrus Vance, tried to delay last week's television program lest it hinder efforts to free U.S. hostages in Iran, a source said.

Mr. Leonard, president of News, confirmed that there had been discussions with government officials, who expressed concern that the program would be seen as a "60 Minutes" that was aimed at the deposition of the Shah of Iran would not disclose the nature of the discussions.

Mr. Powell, who discussed the matter with two members of the show, said that the government was concerned that a broadcast on the show at this time might hinder negotiations to free the estimated U.S. hostages in Iran.

At the State Department source close to Mr. Vance said that the secretary had to at least one CBS representative because of anxiety about a segment of the show that suggested the Shah, the Iranian secret police chief, was the one who had ordered the deposition of the Shah. Mr. Reza Pahlavi, who learned of the show from the U.S. CIA.

The official said that Mr. V believed it was inappropriate to cut material dealing with these matters at a time when a UN convention was in Iran to explore a way against the monarchy and, at the same time, to review the treaty of the U.S. hostages.

Schmidt Defends East-West Detente Strong Alliance for Power Balance

From Agency Dispatches

NEW YORK, March 6 — Chancellor Helmut Schmidt said today that West Germany remains a loyal partner of the United States in the Atlantic alliance, but that because of their geographical position West Germans cannot act as "spearsheads."

Addressing the Foreign Policy Association in New York after a visit to Washington, Mr. Schmidt said that living in a divided country "means understanding from daily experience at the borderline between West and East that there is no alternative to the Atlantic alliance." A first requirement for peace and cooperation, he said, is maintaining balance between the superpowers.

At a state dinner at the White House last night, President Carter said, "We recognize that there are serious threats to stability and that we have come in these last few years to value highly the benefits of detente. These commitments have been shaken, but not changed, by the Soviet invasion of Afghanistan. We are still committed to detente."

Court Moves to Stop Abuse of Female

NUREMBERG, March 6 — A 20-year-old U.S. soldier sentenced yesterday to 30 days hard labor for verbal sexual harassment of a female soldier, a lawyer said today.

The prosecuting attorney, Sanford Penikese, said the Nuremberg military court was the first outside the Army in Europe for sexual harassment of female GIs and would be used as a starting point for a crackdown on widespread harassment within the forces.

Despite Crisis of Superpowers

Eastern Europe: A Desire To Maintain Ties to West

By Bradley Graham

BUDAPEST, March 6 (WP) — From his office overlooking the Danube River, Janos Nagy, Hungary's deputy foreign minister, glanced out the window at the bridges that tie this capital together. "It is very easy to destroy something," Mr. Nagy said. "During the war they were destroyed in one minute. It has taken us 35 years to rebuild."

In the unsettled political waters of Europe following the apparent collapse of détente between the superpowers, the Eastern European nations appear eager to keep their own bridges to the West intact.

Beneath the official expressions of support for the Soviet intervention in Afghanistan, interviews with Eastern European officials reveal a strong undercurrent of hope that the benefits carefully built up during a decade of increased contacts with the West in the areas of cooperation, commerce and, in some cases, of greater independence from Moscow — will not be washed away.

U.S. Sanctions

The United States has said it does not intend to include Eastern Europe in the sanctions being directed against the Soviet Union in retaliation for the Afghan intervention. Nevertheless, Soviet Bloc officials worry that their countries are likely to fall victim. Already there are hints that international tensions may be spilling over here. Among them are:

• A group of Eastern European scientists were told last month that a scientific conference in California would be closed to them as well as to their Soviet colleagues.

• Eastern European business representatives are being asked to supply more extensive information in visa requests for visits to the United States.

• Trade ministries have been notified to expect delays in approval of export licenses for U.S. goods destined for Eastern Europe, presumably so that U.S. officials can ensure that the exports will not be passed through to the Soviet Union.

• Against this backdrop of political uncertainty, half a dozen U.S. firms recently canceled reservations to attend a Hungarian trade fair in April. A number of tourist groups also reportedly have withdrawn plans to visit Eastern Europe this year.

Such actions, while small and certainly not in all cases a reflection of official U.S. policy, have heightened concern in Eastern Europe about once again being isolated from the West. These anxieties are greater because of a general economic downturn in Eastern Europe, marked by flagging growth rates, disguised inflation, shortages of goods and rising debt burdens.

Under the umbrella of détente, the East Europeans have come to rely heavily on Western technology and credit. Thanks to joint equity ventures and special concession agreements, trade has increased to a point where Eastern Europe's annual dealings with the West exceed \$35 billion. The amount of Western trade differs considerably among Moscow's six Soviet Bloc allies, but overall, East Europe today obtains about one-third of its imports from the West.

Western Loans

Western banks and government export credit institutions have lent roughly \$50 billion to the six countries — Hungary, Poland, Romania, East Germany, Czechoslovakia and Bulgaria — to finance purchases of Western plants and equipment.

Three countries — Hungary, Poland and Romania — have been granted most favored nation status by the United States, thus allowing them to avoid discriminatory tariffs on exports. Romania has joined the International Monetary Fund and Hungary has taken a minority share in the first East-West bank that opened recently here.

In view of their new economic difficulties, Eastern European officials believe that another heavy serving of Western technology and know-how is needed to spur productivity and provide the basis for self-sustaining economic growth. They also expect to have to dip deeper into Western credit markets to finance more expensive oil purchases and simply to cover large existing debt obligations.

They worry, however, that the political risks accompanying a new cold war will discourage Western

loans and generally raise the costs of contact with the West.

One thought that Eastern European officials take as further ensuring continued access is that Western sources already have invested so heavily in Eastern Europe that they could not afford to abandon the region.

But East-West ties are not only a question of Western willingness. The Soviet Union could well become disturbed by the sight of its Warsaw Pact partners carrying on business as usual with the West while it suffers sanctions. The Soviet leadership is already sensitive to the fact that many East Europeans live better than most Soviet citizens.

Perhaps more deeply troubling than the threat posed to their economies by a deterioration of East-West relations is the possible erosion of the independence from Moscow that some Eastern European nations have managed to achieve.

If the Soviet Union is compelled by the current crisis to demand greater cohesion and ideological conformity within the Warsaw Pact, this could result in Hungary abandoning its experiment with liberal economic reforms, Poland cracking down on dissidents and Romania being forced to give up its maverick foreign policy.

Careful not to draw fresh Soviet censure, Eastern European officials blame the West for spoiling détente by increasing defense budgets and playing up human rights concerns.

"The East Europeans are cautious," a Western diplomat in Budapest said. "They don't want to weaken the nose of the Russian bear."

U.S. Agency Allows Import Of Russian Uranium Fuel

By Thomas O'Toole

WASHINGTON, March 6 (WP) — Rochester Gas & Electric Co. has been granted a license to import \$45 million worth of uranium enriched in the Soviet Union. This is the first time that a U.S. company has gone outside the United States to buy uranium to generate nuclear power.

The license was approved last month with the consent of the State Department by the Nuclear Regulatory Commission. The first shipment of the Soviet-enriched uranium is expected as early as next month.

The fuel is not being imported from the Soviet Union, but from a company in West Germany, where it has been kept in storage for two years. A spokesman for Rochester Gas said it is saving \$2 million by not buying in the United States.

The purchase of uranium enriched in the Soviet Union is not regarded in Washington as of strategic importance, but it represents a Soviet breakthrough in a market once monopolized by the United States. For 20 years the U.S. nuclear-fuel industry and the government so dominated the enriched uranium business that they never regarded another country as competition.

The license covers 94,600 pounds of enriched uranium to be imported by Separative Work Unit Corp., of Gaithersburg, Md., over a five-year period ending in 1984. The uranium will be used for five refuelings of the 10-year-old Ginna nuclear plant in Ontario, N.Y.

The uranium, in the form of a gas called uranium hexafluoride, was to



EIGHT LIVES TO GO — Lynn Bradley, a Boston medical technician, uses mouth-to-mouth resuscitation to revive her cat, which was overcome by smoke when a fire broke out in her home. Four other cats were rescued, but the efforts of a passerby, left, were in vain.

Anti-Mining Campaign Backed

Vermont Towns Vote Against Uranium

By Michael Knight

MONTPELIER, Vt., March 6 (NYT) — The bill towns of central Vermont, stirred for more than a year by the possibility that recently discovered deposits of uranium ore may soon be exploited, voted heavily Tuesday night to prohibit mining of the ore.

The ban was approved unanimously in most of the 36 towns where it appeared on the agendas of annual town meetings, and by lopsided margins in others. Only two towns voted against the prohibition, after residents argued that existing regulations were sufficient to protect them from possible radioactive contamination.

The issue has been heated in this environment-conscious state since environmental groups made public a 1,400-acre mining lease brought by a West German company, and released the results of a federally sponsored aerial survey showing 21 "hot spots" with potentially valuable uranium deposits that could be used to make fuel for nuclear power plants or weapons.

Sentiment for a ban on exploration and mining heightened last year when opponents discovered the remains of prospectors' campsites with piles of clothing burned as a routine precaution against contamination, and a mile-long road cut into the woods near the Okemo ski area in Jamaica, Vt. The West German company said later that it had planned to start drilling for rock samples in the area.

Statewide Bill

The legal effect of the towns' ban on uranium mining was unclear. A broader, statewide prohibition on mining and exploration is before the state's General Assembly in Montpelier, the capital. David White, director of the Vermont Public Interest Research Group, a Ralph Nader affiliate that has opposed the mining, said that the towns had demonstrated the public's desire for such a bill.

Gov. Richard Snelling, who last year decried the anti-mining efforts as an example of "know-nothingism," has promised not to veto the bill if it passes despite his opposition. "There is a feeling in other parts of the United States that we in New England are demanding energy, but are not willing to accept responsibility for providing our share of the energy needed by the country," he said.

John Downes, a lobbyist hired by the West German company's Denver-based U.S. subsidiary, Urangesellschaft U.S.A. Inc., said he

thought the votes were based on a lack of information, "because exploration for uranium can be done safely."

"But most of the explanation is in the belief that if you even explore, then the pressure would build to mine and mill," he added. "They don't want to let the horse out of the barn even for a nip at the hay." He said the company had shelved its exploration plans due to unfavorable public opinion and unclear state laws. At least six other companies have expressed an interest in mining for uranium in central Vermont.

Opponents of the uranium mining, upset by reports of cancer and birth defects in Indian reservations and other areas where uranium has been mined for decades, do not want to let the matter rest there. "Once you start digging for uranium, it gets into the air and the water," said Malvine Cole, a town official in Stratton, near the proposed drilling site. "From the ground water it gets into the drinking water and the vegetable, and the cows, the milk, the cheese, and even the maple syrup and the firewood and pulp wood," she added. "It would be a disaster."

"A lot of the people in southern and central Vermont now are owners of vacation condominiums and ski chalets, and they came here for beauty and clean air," said Miss Cole, who is president of a group called Stop Uranium Mining. "They don't want to have to leave and they're upset. And those of us who have been here for generations don't want it messed up either."

Informed sources said that Miss Wesolowska, who worked for the United Nations in New York for eight years, was accused of trying to recruit Poles to work for the U.S. Central Intelligence Agency. They said that she probably would be sentenced to about seven years' imprisonment.

Polish Woman Able to Appeal

WARSAW, March 6 (Reuters) — A Polish UN employee who has pleaded guilty to spying for a NATO state, will have the right to appeal if sentenced, a military tribunal spokesman said today.

The tribunal, which heard the case against Alicja Wesolowska, 35, in secret is expected to render its verdict tomorrow evening, the spokesman said. "If she is sentenced, she will have the right to appeal," he said.

Informed sources said that Miss Wesolowska, who worked for the United Nations in New York for eight years, was accused of trying to recruit Poles to work for the U.S. Central Intelligence Agency. They said that she probably would be sentenced to about seven years' imprisonment.

The tribunal, which heard the case against Alicja Wesolowska, 35, in secret is expected to render its verdict tomorrow evening, the spokesman said. "If she is sentenced, she will have the right to appeal," he said.

Informed sources said that Miss Wesolowska, who worked for the United Nations in New York for eight years, was accused of trying to recruit Poles to work for the U.S. Central Intelligence Agency. They said that she probably would be sentenced to about seven years' imprisonment.

Anderson Proposes to Push On to Victory From Success in New England Primaries

By Francis X. Clines

BOSTON, March 6 (NYT) — Rep. John Anderson has promised not to be a 1980 version of Eugene McCarthy, the flash-in-the-pan Democratic candidate of 1968, but to turn his sharp progress in the presidential primaries into a victory for mainstream Republicans and independents.

The Illinois congressman yesterday acknowledged the technical difficulties of doing this by bypassing much of the South and mounting voter registration drives in such states as California to get sympathetic Democrats to vote for him.

The fresh resolve he found in his near-victories in the Massachusetts and Vermont primaries was based on more than numbers. There was, for example, the phone call to his hotel suite yesterday from a General Dynamics executive active in B'nai B'rith. "They represent 5 million Jews, and the gentleman wants to talk about Carter and the UN resolution (and) over Israel," a campaign aide told Rep. Anderson, who took the call and into an appointment to discuss the issue in Chicago.

This was the sort of mainstream interest that Rep. Anderson had predicted after his impressive show-

ing, in which he pulled up with the front-runners and attracted 31 percent of the Republican vote in Massachusetts. With similar success in Vermont, he left New England later yesterday with his candidacy transformed: From an interesting maverick he has become a vote-getter who commands attention in the shifting Republican field.

"I'm not going to trim my sails," he said before setting out for Connecticut, New York and Illinois. "I'm not going to appeal to that very, very hard-right group in the party. . . . If I did, I would forfeit my right to the support we've been building."

"The people who voted for John Anderson in Massachusetts and Vermont were not wasting their vote — they made this a wide open race," he said before resuming a difficult, selective primary tour that, he says, his strategists designed to make him the victor and not merely a thought-provoking also-ran.

Political analysts questioned how well Rep. Anderson could thread the remaining maze of primary and caucus contests, which often bar the sort of crossover voting by Democrats that was pivotal in his success Tuesday.

The Wisconsin primary on April 1 looks like his best target soon for a crossover effort. In his home-state primary in Illinois on March 18, Rep. Anderson, with only one of the 24 congressional districts as his base, has not been rated by politicians there as the front-runner.

To capitalize on Tuesday's success, Rep. Anderson faces "a major marketing problem," as his pollster, Dick Bennett puts it, in organizing

Record Inflation in India

NEW DELHI, March 6 (UPI) — India's annual rate of inflation rose to a record 25 percent in the week ended Feb. 23, official statistics showed today.

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News Analysis

Balancing the Budget Is Unlikely to Curb Rising U.S. Inflation

By John M. Berry
WASHINGTON, March 6 (UPI) — When all the budget-cutting dust settles later this year, probably after the 1981 budget is balanced, the basic U.S. inflation rate will still be as high or higher than it was last year, most economists believe.

Even President Carter's economic advisers expect the inflation rate to be running 10 percent or more.

That is about what it was last year, according to every measure of inflation except the consumer price index, which rose 13.3 percent because of the distorted way in which housing costs are counted.

If that is true, what is all the shouting about? Why are all the politicians bracing themselves for the election-year pain of cutting spending more than \$15 billion

from what Mr. Carter originally planned in order to balance the budget?

Because, if the administration and Congress do not balance the budget, inflation shows every sign of getting steadily worse and some critical parts of the economy are slipping into chaos.

A balanced budget has become a symbol in the minds of many people, particularly those making decisions in financial markets, not just of the government's ability to control inflation but of the economy as well.

The present near crisis is the result in part of the latest run-up in inflation, which in turn has come largely from the oil cartel's most recent price increases and the reflection of these in U.S. oil prices, now

coming out from under federal controls. Also a factor in the present uneasiness is the stubborn refusal of the economy to fall into a recession.

These two factors are linked, since most economists believe a full-fledged recession is the only way to undercut inflation in 1980. Balancing the budget for 1981, and trimming \$4 billion or so out of the money yet to be spent in 1980, will demonstrate the administration's intent to keep tightening fiscal policy until that, and the sky-high interest rates being generated by Federal Reserve monetary policies, combine to produce a recession.

At some point, there will be a recession. Few economists believe the nation has entered some strange new economic world in which declining family incomes and soaring interest rates have no depressing effect whatever on the willingness and ability of consumers and business to spend money.

It is simply taking a far larger dose of tight money, higher taxes and gouging by the Organization of Petroleum Exporting Countries than anyone had expected would be needed to cause a recession.

By traditional standards, the 1981 budget Mr. Carter sent to Congress in January already incorporated the biggest swing toward economic restraint since 1968 when the Vietnam War tax surcharge was enacted. With the new cuts and higher revenue estimates flowing from higher inflation, the revision Mr. Carter will propose next week are expected to make it \$20 billion tighter still.

Recession Hopes
The recession, administration economists hope, will put enough slack into labor markets — in other words, raise unemployment enough — to keep the rate of wage increases from taking off in 1980, pushing the basic inflation rate well above 10 percent.

While everyone acknowledges that outside wage gains have not been a major cause of the recent speedup in inflation, wages and fringe benefits together have been going up at more than a 9 percent annual rate. In a world of falling productivity — that is the output of

goods and services for each hour worked — such increases in compensation translate into an inflation rate of 10 percent or more, even when OPEC is not doubling the price of oil.

In the present situation any successful attempt by labor to try to make up for the bite taken from workers' real incomes by OPEC would push wages to a new, higher plateau. But the inflation rate would follow in lock step and the added income would buy the workers no more than it did before.

The modest goal of Mr. Carter's policy this year was to prevent that from happening. That is still the goal, only events have made it much harder to achieve.

Yet in the view of the majority of economists, that is all that can realistically be accomplished in 1980. Some analysts believe more sweeping measures, including wage and price controls, which Mr. Carter has ruled out, would do more.

But the first step everybody seems to want is a balanced budget. It has assumed such symbolic importance that without it, any package of policy changes Mr. Carter might propose next week would not be considered strong enough to make much difference in the inflationary outlook.

So now the squeeze is on. Members of Congress with their rhetoric have left themselves little choice but to cut spending. Deciding what is likely to produce a political donnybrook.

Some individuals and institutions are going to have to get by on less federal largess in 1981 than they expected. Some of those individuals will be the unemployed. Some may be Social Security beneficiaries. Others almost certainly will be state employees who are paid with federal revenue-sharing money.

In short, most of the public will feel the pinch in some way, large or small. A year from now, if inflation indeed is still running 10 percent or more and the budget is balanced, what will the public think?

The public could well be bitter by then because all the fuss over balancing the budget has probably begun to raise expectations about a drop in inflation far above what the new policy can deliver.

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Nixon Praises Vance Reaction On Vote Error

PARIS, March 6 (UPI) — Former President Richard Nixon praised Secretary of State Cyrus Vance today for taking the blame over the United States' error in voting against Israeli settlements at the United Nations Security Council.

Mr. Nixon said that Mr. Vance "had acted like a man" in accepting responsibility for the communications failure that led to the condemning vote cast by the United States Saturday.

"If I had pulled this on [former Secretary of State] Henry Kissinger, he would have quit," Mr. Nixon said during a radio interview in Paris.

The former president arrived here today to meet with the European publishers of his new book, "Real War."

Mr. Nixon, who resigned in 1974 as a result of the Watergate scandal, will fly to the Ivory Coast tomorrow for a golf tournament. He also will meet with Ivory Coast President Felix Houphouët-Boigny, an old friend.

The former chief executive said that he supported President Carter's call to boycott the Olympic Games in Moscow, although he termed the boycott an insignificant move.

He said that the Afghanistan crisis "might have been prevented" if the United States had been more forceful and clear about its foreign policies.

"The signal was not given," Mr. Nixon said.

Dutch Pay Freeze Passes 1 House
THE HAGUE, March 6 (UPI) — The lower house of parliament overrode a nationwide protest yesterday and voted to give the government power to freeze wages for up to a year in response to unions and employers' inability to reach a wage agreement that the government considered suitable. The measure is subject to approval by the upper house.

Strikes and demonstrations spread through the Netherlands on Tuesday in protest of the bill, halting public transport in many cities and creating stoppages in all sectors of industry. An official of the Federation of Dutch Trade Unions said 500,000 workers — half its membership — took part in the protests.

The federation, which controls 80 percent of organized labor in the country, was due to meet today to consider further action against government intervention in wage bargaining, a federation official said.

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Tito Is Said No Longer Declining

May Continue to Live For Days or Weeks
BELGRADE, March 6 (UPI) — President Tito's condition was serious today, but it has shown signs of further deterioration, four days, apparently bearing a medical expert's belief that most techniques could keep the 87-year-old leader alive for days or weeks longer.

Yugoslav sources have said there were no plans to artificially prolong Marshal Tito's life with support system such as that kept Spanish dictator Franco alive for more than a year and four years ago.

"What might have happened now," a Western diplomat said, "was that the Yugoslavs — with meaning to — have somehow themselves in this position."

The official bulletin issued the eight-man medical team treating Marshal Tito at the Clinical Center in Ljubljana said yesterday and day that the Yugoslav leader's condition was unchanged.

Pneumonia Easing
On Tuesday, the bulletin said his condition was still serious, with signs that his pneumonia was easing. Monday the bulletin said his condition was still serious.

Sunday's bulletin reported last known deterioration of his condition, with a general downward trend due to a further week's heart.

Marshal Tito is battling a kidney failure, pneumonia, internal bleeding. These complications arose last month following Jan. 20 amputation of his left leg.

Yugoslav sources say that Marshal Tito is being treated with a respirator, but there is no information on the "intensive measures" which doctors are using to treat his patient.

A Western-trained medical source, however, listed other possible measures such as oxygen, antibiotics, intravenous feeding, special nourishment to ease the ailing process, and various blood and other monitors. He said that the measures likely being used the marshal would be inter-related and indispensable and that the patient probably would die quickly if any were discontinued.

The medical source said modern medical technology could keep Marshal Tito alive for days or weeks.

If this were the case, Western sources noted, the question of how long the Yugoslav leader would continue to live may become a political question.

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SENIOR EXECUTIVE JOB GUIDE

Published at the end of the week, this is a compilation of senior level job opportunities from selected publications. Senior level jobs published by the International Herald Tribune through Tuesday automatically appear in this feature. To place an advertisement in "INTERNATIONAL EXECUTIVE OPPORTUNITIES," contact our office in your country (listed in classified section). Any questions or comments concerning this feature can be directed to Joannita Caspari in the Paris office.

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INTERNATIONAL SALES MANAGER		Lithonia Lighting Co. (Lighting products)	Atlanta Area	Exp. prev. previous lighting sales exp. & exp. Small American market.	Charles Bryant, Lithonia Lighting Co., P.O. Box 4, Conyers, GA 30207.	L.I.T. 28-2-80
CHIEF EXECUTIVE	c. \$38,000	Major Int'l Group (Construction)		Up to 50; proven record of success, general mgmt. in const. ind.	Ref. L.I.T. Business Executive Technical Appointments, 10 St. James's Place, London SW1.	Financial Times 28-2-80
WORLD MINING ASSIGNMENT	HK \$400,000	Major mineral development enterprise.	Hong Kong	Senior mining engineer; general mgmt. & const. exp. Small American market.	W.A. Griffith, MSc, 17 Stratford St., London W1C 6UB, Tel: 01-493 3351.	The Economist 1-3-80
SENIOR LAWYERS	BS \$22,000 to \$43,000	Islamic Development Bank.	Jeddah	Univ. Deg. & Law; min. 6 yrs' relevant exp. in corp. law, Arabic, Eng. Fr.	Ref. S.I./84, Islamic Development Bank, P.O. Box 5972, Jeddah, Kingdom of Saudi Arabia.	The Economist 1-3-80
SENIOR ACCOUNTANT	Ext. Dufort	Saudi Basic Industries Corp.	Saudi Arabia	Minimum 10 years' exp. in financial accounting, Arabic/Eng. + Exp.	Ref. S.I./84, Saudi Basic Industries Corp., P.O. Box 5972, Jeddah, Kingdom of Saudi Arabia.	Financial Times 1-3-80
FINANCIAL EXECUTIVE	Excellent	Ext. Headquarters of medium-sized U.S. Corp.	Frankfurt + travel	Exp. in admin. or equiv. exp. in U.S. + several yrs' exp. in Fin. &/or Acctg.; 30-45.	General Manager, Europe, New England Nuclear, Postfach 481240, D-6072 Frankfurt/Germany.	L.I.T. 1-3-80
GROUP AREA CONTROLLER(S)	Compensate with position	Hammer Douglas Group.	Netherlands	Accounting &/or gen. mgmt. exp. in international business, English, German + Spanish.	M.R.L. Lyden, Hammer Douglas B.V., P.O. Box 5072, 3000 AB Rotterdam, Tel: (010) 44 4444, ext. 156.	L.I.T. 1-3-80
GROUP AUDITOR		Int'l Group of trading & shipping companies.	Amsterdam	Qual. auditor (CPA or RMAA); 30-40; some travel.	Ref. S.I./84, P.H. Lammer's van Boven, Statenvaart 35, 3581HP Utrecht, Amsterdam 41, Holland.	L.I.T. 1-3-80
DIVISIONAL MANAGER Kuwait	At least \$18,000 + benefits	One of leading commercial org. in Kuwait (Computer Mfg.).	Kuwait	Substantial exp. with thorough exp. & exp. with expertise in large systems.	Ref. S.I./84, P.H. Lammer's van Boven, Statenvaart 35, 3581HP Utrecht, Amsterdam 41, Holland.	Sunday Times 2-3-80
BANKING LAWYER	Negotiable	Int'l Merchant Bank.	City	Exp. int'l banking transactions; knowl. current market.	Personnel Manager, The Royal Bank of Canada (London) Ltd., 187 Cannon St., London EC4A 3DF.	Financial Times 4-3-80
EUROPEAN BROKERAGE DEVELOPMENT	\$50,000 negotiable	Sales of a blue chip U.S. multinational.	Brussels	Creativity, proven expertise in conceptual selling in Eur. market; Eng., Ger. & Fr.	Wick Hamilton, Overseas Appointments, 7 Princes St., London W1N 7HS, Tel: 01-629 7262.	Financial Times 4-3-80
INTERNAL AUDITOR West Africa	BS negotiable	Int'l mining consortium.	Republic of Guinea	Univ. deg. & qual. as Chartered Accountant; int. Fr./Eng.	Ref. 4/103/MT, Charles Hyde, Lister, Acacia House, Hayes Road, Southall, Middlesex, UB2 5SL.	L.I.T. 4-3-80
PRODUCTION MANAGER	Excellent	Precision, Laboratory Instruments Co.	South of Versailles	Exp. speaking Fr. nat.; mgmt. of exp. similar position (electronics, computers, optical or high precision inst.).	W. 41312, Condesse Publicité, 28 Avenue de l'Opéra, 75040 Paris Cedex 01.	L.I.T. 4-3-80

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Editors Charge Double-Cross

Business, Sports Scandals Set Italy Abuzz This Week

By Henry Tanner

ROME, March 6 (NYT) — Bank and industrialists, soccer players, a Cabinet minister, a controversial judge and a betting syndicate bossing a fruit vendor and a restaurant owner are the protagonists in two separate financial scandals that have burst on the Italian scene during the last few days.

Thirty-eight of the bankers and businessmen — including the cream of Italian finance — were in jail yesterday facing charges of fraud in connection with loans granted by the national umbrella organization of savings and loan associations.

The Cabinet minister, Franco Evangelisti, for 20 years one of the closest collaborators of former Premier Giulio Andreotti, resigned yesterday evening after admitting having received money from a construction firm involved in the Italian scandal.

Twenty-seven players of the soccer leagues, meanwhile, are being interrogated by the courts. The main charge against them is that they accepted money to lose games but then changed their minds and went on to win, bringing financial ruin to the gamblers. Scandal-watching has been a major Italian spectator sport for more than 30 years. Many people seemed to be taking the bankers' arrests and Evangelisti's resignation in stride.

But the thought that famous soccer players should be charged with a crime is a shock. On Tuesday, fans shouted insults at two players of Lazio, one of the two major clubs in Rome.

Soccer is a way of life in Italy and it involves murderous emotions. Every few months, during a match, some teen-age fans of Roma end in a riot. On Tuesday, the rioters were for the fans of the rival club, Lazio, killing a man who was taking the game with his wife and child. The game continued, presumably because it would have been too dangerous to call it off.

There are no good estimates of amounts involved in illegal gambling operations of the kind conducted by Massimo Crociani, a fruit vendor, and Alvaro Trinchera, the owner of a restaurant near the Piazza del Popolo, who touched off the riot when they filed suits against the players they claim double-crossed them.

If convicted, the players face a long playing ban. Since most of them are highly paid professionals, their departure would cost a fortune. Their clubs would shake up the entire Italian soccer scene. Two men involved became national

heroes playing for the Italian national team.

The arrest of the 38 bankers and industrialists in a dawn swoop by police Tuesday caused a sensation because the names of the men and the companies are well-known in the business and political worlds.

Banking and politics are intimately intertwined, with many of the country's industrial and financial institutions tied closely to the ruling Christian Democratic Party, which has the power to fill many of the leading positions in state-controlled organizations.

Adding spice to the Italian scandal was the fact that the 38 arrests were ordered by one of the most controversial figures in the Italian judiciary, investigating Judge Antonio Alibrandi of the Rome Magistrate. He is a Christian Democrat, belonging to the extreme right wing of the party.

He caused a furor a year ago when he ordered the arrest of the governor of the Bank of Italy, Paolo Baffi, and of the bank's deputy director, Mario Sarcinelli, on charges of having failed to exercise their supervisory power to prevent a credit institute in Sardinia from making questionable loans. Both men were later cleared, but the arrests shook the prestige of the central bank.

Judge Alibrandi, in a newspaper interview, later declared blithely that one of the reasons for the arrest of Mr. Sarcinelli was the bank official's lack of cooperation with some major financial institutions particularly close to the Christian Democratic Party.

Judge Alibrandi's son, Alessandro, was arrested two weeks ago on suspicion of having been involved in the killing of a policeman outside the Lebanese Embassy a month ago. He was easily able to prove his innocence because at the time of the killing he was appearing in court in another part of Rome in connection with a clash between leftist and neo-fascist students.

Mr. Evangelisti, the cabinet member who resigned Tuesday, was minister of the merchant navy. A replacement has already been named. He resigned after several political parties threatened to make him the issue of a vote of no confidence in Premier Francesco Cossiga for his role in accepting funds from the Caltagirone construction firm, a major recipient of easy credit from Italcase.

Gaetano Caltagirone and his two brothers fled abroad well in advance of Tuesday's arrests. Eight other financial and business figures, of 49 named in Judge Alibrandi's indictment, also fled abroad.



Mario Pennacchio, left, president of the savings bank of Puglia, Italy, is escorted by a plainclothes policeman Thursday after his arrest at the airport in Rome after his return from Bangkok. He is one of 49 bankers and businessmen charged in a loan scandal.

Up to 15 New Air Routes Accepted by U.S., Britain

WASHINGTON, March 6 (UPI) — U.S. and British negotiators agreed yesterday on a package of new nonstop air routes between London and up to 15 U.S. cities during the next five years, in a major liberalization of the bilateral agreement on air service between London and the United States.

Under a memorandum of understanding reached by the negotiators, beginning this spring U.S. airlines will be able to fly to London from Denver for the first time, and one additional U.S. carrier will be allowed to serve Boston. British Caledonian will be allowed to start a St. Louis-London route, and in April, 1981, British Airways can start service to New Orleans.

The agreement provides for one additional nonstop air service between London and Miami starting in January, 1981, and up to 10 other U.S. cities by 1984. Each government will be able to select two additional cities for new service to London in 1981, and one in each of the next three years.

The U.S. Civil Aeronautics Board recommends which U.S. airlines should serve the cities. The final decisions are up to the president.

The current bilateral agreement limits the number of U.S. cities that may be served and the number of

U.S. carriers that can serve each U.S.-London route. U.S. officials have said this was restrictive because the United States has many more airlines than does Britain.

CAB Chairman Marvin Cohen said the new 1980 service is expected to be ready by June 1, the beginning of the holiday season.

In a recent CAB case, 10 airlines competed for the London-Miami service held by National Airlines, which was open for bidding because National merged with Pan American World Airways. Yesterday's agreement may guarantee that Pan Am will keep the service, which it had agreed to give up. CAB spokesman said. Last week, a CAB hearing examiner recommended giving the route to Eastern Airlines.

At issue are two provisions in the agreement allowing another U.S. airline to serve London beginning in January. One provides that any new air service to London will use Gatwick Airport — smaller than Heathrow Airport and farther from London. The other says that airlines serving Heathrow can continue to do so. Pan Am flies into Heathrow.

Eastern Airlines officials were taken by surprise by the announcement of the bilateral agreement. Eastern spokesman James Ashlock said.

Couples Forced to Sign Single-Child Pledge

China Uses Coercion to Reduce Birthrate

By Jay Mathews

PEKING, March 6 (WP) — After months of gradually stronger birth control warnings, Chinese authorities have begun to use intense social and bureaucratic coercion to ensure that every Chinese family born the rest of this century will be the only child in a family.

Reports from foreigners and Chinese in both rural and urban areas say that neighbors have been enlisted to visit nightly the homes of recalcitrant couples until they agree to sign a "one family, one child" pledge.

The government has assigned extra officials in several communes to carry out the pledge campaign, designed to cut the average rate of 2.3 children per family, and administer the penalties of pay and benefit cuts to those who break the pledge.

In large cities such as Peking, where birth control programs have had more success, local supervisors have also made it clear that pledges must be honored. "We are not allowed to have two children any longer," said one office worker here. The official People's Daily said that 5 million couples of childbearing age, about 29 percent of those who have one child, have signed the pledge so far.

Traditional Fears

The campaign frustrates the deep desires of Chinese peasants for enough children to care for them in their old age and carry on the family name. But official population statistics show that even with an energetic birth control program China's population is likely to grow from 970 million to 1.2 billion in the next 20 years.

Since early 1979, when Peking began to call for strong birth control measures, the plan appeared to be a wholly voluntary system based on economic rewards for those who had one or at most two children, and penalties for those who had more. China says it has reduced its population growth rate to 1.2 percent from a high of nearly 3.35 percent in 1963.

Recent reports indicate, however, that the government, perhaps because of its recent reappraisal of its severe financial difficulties, has decided to say less about birth control bonuses and rely instead on intense social pressure.

A foreign researcher who has been living for the last month in a commune headquarters in southern Hebei province said, "People are going and knocking on doors every night and arguing with people who don't take the pledge." Commune officials assigned to pursue the campaign are told "you must not be afraid of being beaten."

A commune official said that 92 percent of the couples in that area

with one child or less had taken the "one family, one child" pledge. "But what are you going to do about those who don't sign?" the researcher asked.

"Everybody is going to sign the pledge," the official said.

In a Feb. 11 front-page editorial in the People's Daily, the Chinese people were told that "the immediate task is to shift the focus of family planning to advocating one child for each couple." The editorial indicated that the population was now about 970 million, but that because of baby booms in 1963 and in the late 1960s, many young people would be marrying and having children in the next two decades, making

ing severe restrictions on their family size necessary.

"At present young people and children under 21 make up half of our total population," the editorial said. "Before the end of this century, an average of 20 million of them will marry and bear children each year . . . Therefore we must from now on spare no efforts to advocate one child per couple."

The editorial said, "In dealing with the obstacles arising from force of habit, we should not adopt simple administrative means and coercive measures," an indication that some localities are indeed doing whatever they can to meet

strict birth control quotas handed down from Peking.

In Canton, travelers report, women checking into hospitals to have their first child are offered large bonuses for postnatal sterilizations and are being told that they must have them after a second child. Officials have complained that in Henan province many men are hiding to avoid required sterilization operation.

Significantly, the People's Daily editorial made no reference to the economic and educational incentives for small families that have been promised in some areas, an indication that the government may now consider incentives too expensive and too disruptive of other programs.

Some provinces recently have promised money bonuses and preferential placements for only children but there is little evidence that such programs are widely in effect.

The Chinese news agency recently released a set of unusually detailed population projections by a Chinese computer expert, a social scientist and two engineers. If every woman of child bearing age had three children beginning this year, the population would be 1.4 billion in the year 2000 and 4.3 billion by 2080. If the birth rate dropped to one child per couple by 1985, the population would rise to 1.054 billion by 2004 but then drop until it was only 570 million by 2080.

The People's Daily indicated that the government has a more modest expectation — something less than two children per couple, with the population peaking at 1.2 billion in 2000.

Korean Colonel Is Shot for Role In Assassination

SEOUL, March 6 (UPI) — Army Col. Park Hung Joo, the only man in active service involved in the Oct. 26 assassination of President Park Chung Hee, was executed by firing squad today, the Defense Ministry said.

Col. Park, 41, had been sentenced to death Dec. 20. He was not allowed to appeal the verdict of the court-martial.

Six other persons sentenced to death for roles in the assassination are awaiting execution, including the confessed assassin, Kim Jae Kyu, who headed the Korean Central Intelligence Agency.

Col. Park, an aide to Kim at the time, was convicted of being one of the killers of five presidential bodyguards near the room where President Park was assassinated.

By William Chapman

SEOUL, March 6 (WP) — South Korea's approaching proposed talks on national reunification with the North, officials here, unless Pyongyang attempts to impose some political agreements in the early stages.

In interviews this week, the officials said that they expect several more working-level talks before the premiers of the two countries could meet. They appear ready to compromise and hold the meetings in Panmunjom, not in a third country, as they initially wanted, but they expect tough negotiations over an agenda for the high-level meetings.

Guarded Skepticism

Lee Dong Bok, a member of the South's working-level negotiating team, described his view as one of "guarded skepticism" toward the North's motives. "We are very suspicious of the other side coming out with their initiatives when we are faced with the need for crisis management in our country," he said.

Another government official described the South Korean attitude as one of "skepticism and curiosity and a certain eagerness to see if they really mean business."

The South's reluctance stems primarily from a conviction that the North hopes to exploit a weakness caused by the assassination in October of President Park Chung Hee and the December insurrection of young military officers. South Korea now is being run by a caretaker government with a narrow mandate

and faces an internal dispute over constitutional reform and new presidential elections.

But because some of its former bargaining positions apparently have now been adopted by the North, the South feels that it must explore the grounds to determine if there is room for at least minor agreements.

In an interview today, Mr. Lee emphasized that his country sees unification as a remote possibility to be achieved only after preliminary agreements on relatively non-controversial issues. Those involve family exchanges, mail service, and other "humanitarian" issues caused by 35 years of division.

The North, which traditionally has favored political settlements first, recently has shown signs of interest in the South's gradual approach.

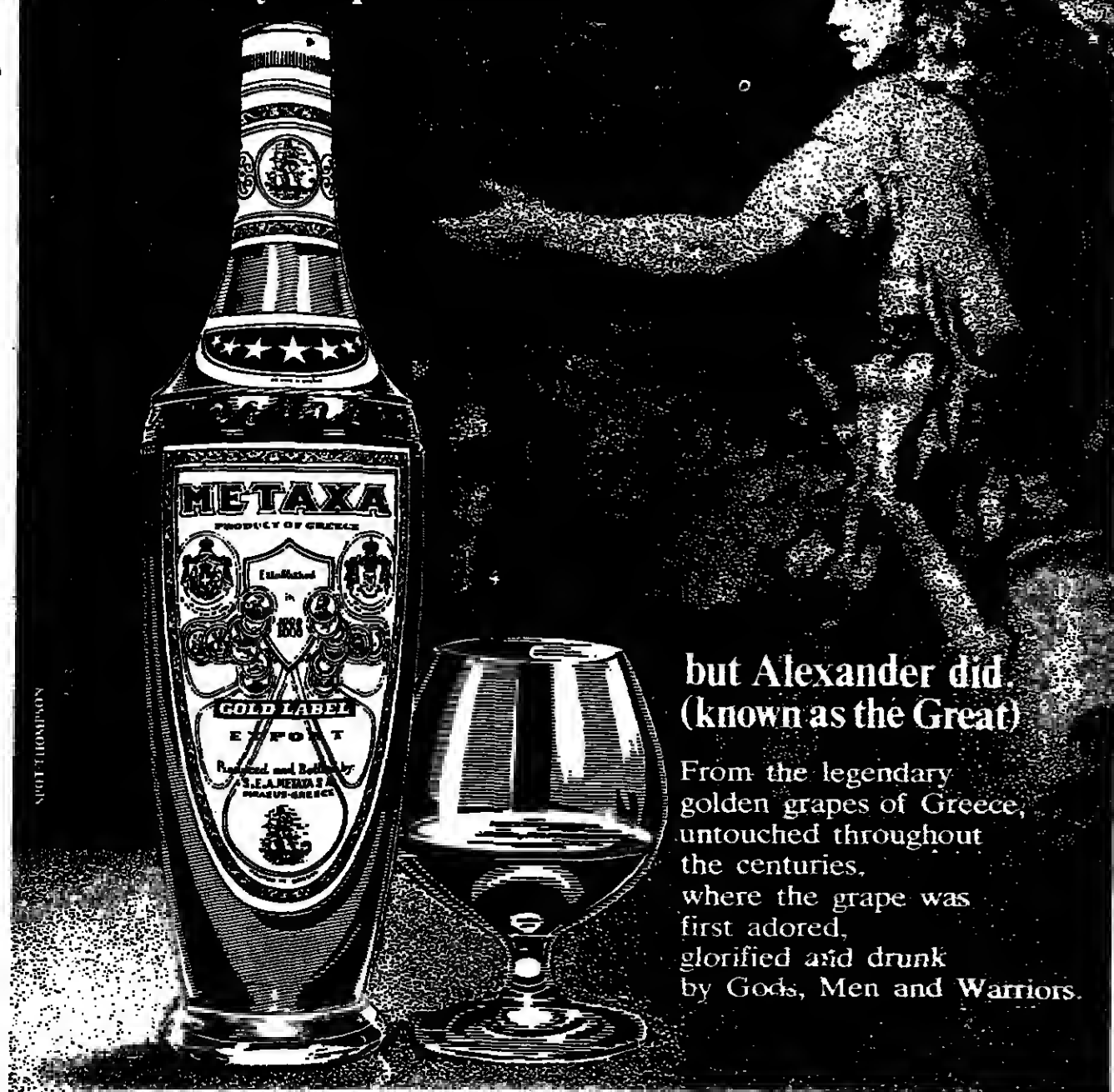
Mr. Lee, who has been a participant in North-South negotiations for nearly a decade, said that he doubts that North Korean President Kim Il Sung can easily reject his own past insistence on a broad political unification agreement.

"He is a prisoner of his own cult," Mr. Lee asserted, "and his freedom to bargain is limited."

However, Mr. Lee also expressed a measure of agreement with the widely-held view here that the North Korean leader is eager to build up the image of his son and probable successor, Kim Jong Il, and may be eager to use progress in unification talks somehow to do that, Kim Il Sung's problem, Mr. Lee added, is how to confer "unification credentials" on his son.

Despite the South's reluctance, it does not want to appear to be dragging its heels if there is a genuine movement toward unification.

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Hope for the Hostages

Dare we hope? After 125 days the first genuinely favorable sign in the Tehran hostage drama appears to have developed. The embassy militants have announced their intention to turn the hostages over to the Revolutionary Council headed by President Abolhassan Bani-Sadr.

To be sure, questions remain. When are the hostages to be delivered to the council? What will the council do if it takes charge of them? Has the Ayatollah Khomeini approved the turnover? Has he changed his mind about letting the new Iranian Parliament decide their fate in April or May? Until those questions are answered it is too soon to even speculate about when the hostages are likely to be released.

Nonetheless, it is encouraging. Bani-Sadr has consistently sought a way out of a situation that has grown progressively onerous for both the U.S. and Iranian governments, not to mention the hostages. The United Nations commission now in Tehran to investigate the alleged abuses of the shah was a means to that end. By threatening to leave without seeing the hostages it seems to have created enough pressure to move the militants. Now

it is up to Bani-Sadr to persuade the ayatollah, who is as much the mob's follower as its manipulator. If the militants have really abdicated that is a major plus. They are one more group to which the ayatollah is not obliged to respond. Bani-Sadr will now have to mobilize what there is of Iranian public opinion behind an acceptable formula to win the hostages' release. The public, in turn, will mobilize the ayatollah.

It is to be hoped, profoundly, that neither loose talk nor sloppy diplomacy from Washington will impede the process that seems to have been set in motion. The action is in Iran for the moment. Bani-Sadr has won the latest round and is probably ahead on points, but the fight is not over. No one can be sure that the familiar battle cry, "return the shah and his money," won't be heard again as the only acceptable price for the hostages' release. Bani-Sadr is not all powerful. It is not clear that he dominates the council, which is not all powerful either. No man or institution in Iran can act unilaterally. But Bani-Sadr has momentum. With skill and luck he may be able to bring the ordeal to an end fairly soon. But don't hold your breath.

INTERNATIONAL HERALD TRIBUNE.

Anderson's Underdog Paradox

Edward Kennedy's long-shot campaign strategy, it appears, is to hang in there — which he seems to be doing, thanks to his big home-state win in Massachusetts — hoping that Jimmy Carter will stumble — which he may be doing, at least in the United Nations. But the Underdog of the Week is plainly John Anderson. The Illinois Republican was the only candidate in either party to excel in both Massachusetts and Vermont. And, like other successful candidates, he was soon using the political "we," as in "We're thinking about ways to take our campaign South."

The problem is that the "we" remains, in a sense, truly plural. Even with Howard Baker's withdrawal from the campaign yesterday, Anderson and George Bush are still left to split the vote of moderate-to-liberal Republicans. Meanwhile, Ronald Reagan is clearly an "I." Barring a miracle for John Connally in South Carolina Saturday, Reagan is the singular candidate of conservative Republicans.

Indeed, as attention turns to the conservative South, Reagan appears so strong by conventional political calculus that students of the campaign suspect it may be too late for any moderate, Bush, Anderson or even Gerald Ford, to succeed — even if they pooled their efforts, which is not likely. But meanwhile, Anderson did so well in Massachusetts and Vermont because he won the support of unusual numbers of independents and Democrats. Thus arises what might be called the Anderson Underdog Paradox: A Republican with such broad appeal could well win the

November election, but probably not the nomination.

What is Anderson's appeal? Modern politics loves underdog melodrama and that is obviously present here. But we suspect that his is a more sophisticated drama, not so much David against Goliath as David against the complexities of the presidential nominating process. Some people discount Anderson on ideological grounds, a candidate sufficiently liberal that he is the favorite Republican only of Democrats. We think that may be too hasty.

There is nothing ideological in his alarm about U.S. dependence on foreign oil — shared since 1973 by citizens, and presidents, of both parties. There is nothing ideological in worrying about the domestic economic effects of sending \$90 billion abroad this year to pay for imported oil. There is nothing ideological in worrying about the impact of such dependence on national security. There is nothing especially Democratic, or Republican, in Anderson's call for discipline and sacrifice to defend vital U.S. interests.

On the contrary, we understand why people in both parties recognize the need for sacrifice and thus rally to his call. For even if his candidacy effort eventually turns out to have been quixotic, it can nevertheless make an immeasurable contribution. The United States does need discipline; it does need to make sacrifices to protect vital national interests. By saying so, John Anderson may not be able to win nomination but he can nonetheless win his point.

THE NEW YORK TIMES.

The Kissinger Loophole

Even if Henry Kissinger broke the law when he removed government records from the State Department, and even if the State Department was wrong to let him do it, there is no way anyone can now see those records except on Mr. Kissinger's terms. That is the frustrating result of Monday's Supreme Court decision, which created a loophole in the Freedom of Information Act big enough for high officials to walk through.

As secretary of state, Kissinger had secretaries listen in on his telephone conversations and transcribe them — some 15,000 pages in all. In the final weeks of his tenure, Kissinger might have gone through the regular channels and asked permission from the National Archivist to take some of these transcripts home. Instead, he consulted the State Department's legal adviser — his subordinate — who gave him the opinion that the records were the secretary's personal property.

Kissinger then carted the notes away. Then they were donated to the Library of Congress as a personal gift — subject to Kissinger's control for at least 25 years.

Some historians and journalists, troubled by Kissinger's hoarding of the papers, filed suit to look at them under the Freedom of Information Act. Lower courts ordered the Library of Congress to return the material to the State Department, so the public, secret and private information could be sorted out.

But now the Supreme Court, says that none of the hard questions about ownership and access to records needs to be answered. Why? Because the State Department can't be ordered to deliver what it doesn't have. And the Library of Congress can't be ordered to return what it does have because the information act doesn't allow citizens to sue the library.

Impeccable chop logic thus lets the court construe strictly — against the citizen — laws whose purpose was to increase access to official information and to make government bandle its records in an orderly manner. Contrast this with the court's much more inventive response, just two weeks ago, to the case of Frank Snepp: It there created a government right to sue the former CIA agent and recover the earnings from a book he had published without government approval. That decision was the kind of invention that the court often says must be made by Congress.

Congress could not have intended to let officials and agencies subject the public to such a runaround with the government's information. It has amended the Freedom of Information Act in the past to correct narrow Supreme Court interpretations. Another amendment is now necessary.

THE NEW YORK TIMES.

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Seventy-Five Years Ago

March 7, 1905

LONDON — In the Globe, Lord Mountbatten comments on his recent tour through the Congo Free State. He says: "I visited most of the state prisons in the northern part of the country. The natives in them are, as a rule, too well treated and undergo really no punishment, save the nominal deprivation of their liberty in having to work with a light chain round their necks, under an armed guard. This is really no punishment at all, and does not compensate for the enormous advantages derived from having good and regular meals. But in the Abir Concession, the prison, or hostage-house, as they are called, consists of a shed under which prisoners are huddled in the most insanitary conditions."

Fifty Years Ago

March 7, 1930

BERLIN — Adm. Alfred von Tirpitz, former head of the Imperial German Navy, died today near Munich, aged 80. Largely due to his urgings, the German Navy was built up to the powerful weapon which it represented when the world war broke out in 1914. He was destined to remain the high commander of that fleet for less than two years, quarreling with other high officials in Germany leading to his resignation in March, 1916. The Kaiser wrote bitterly of this: "He resigns in the face of the enemy and exactly on the day of my grandfather's death." The submarine campaign von Tirpitz had planned was largely responsible for the entrance of the United States into the war.



"I Don't Feel Short of Energy."

Labor's View of U.S. Economy

By Lane Kirkland

This is the second of four articles on the U.S. economy. They were written for the International Herald Tribune by Sen. Lloyd M. Bentsen, D-Texas; Lane Kirkland, president of the AFL-CIO; Reginald H. Jones, chairman of the General Electric Co.; and J.W. Anderson of The Washington Post's editorial page staff.

WASHINGTON — Inflation and recession remain at the head of the list of problems Americans face in 1980, and both must be dealt with through economic policies that lead to economic growth, rather than stagnation.

Economists are forecasting 12 solid months of double-digit inflation along with an increase in unemployment that would leave nearly 8 million Americans unable to support themselves and their families. This potential tragedy can be averted, but not through the policies of tighter money and higher interest rates, which have been thoroughly discredited over the last 10 years.

The elements that have contributed most to development of the United States throughout its history have been relatively cheap and abundant energy and relatively cheap and abundant capital. These elements hold the key to the future, as well.

Energy Problem

Unless the United States solves its energy problem, I fail to see how it can solve anything else. The AFL-CIO has consistently urged the adoption of policies to make the most of existing energy supplies, including immediate rationing and other conservation measures, and rapid expansion and development of new and alternative energy sources in order to break the stranglehold of the OPEC cartel on the nation's economy. We believe that price controls on oil should be continued and should be imposed on middle distillates and natural gas, as well.

We hold that imports of oil should be taken out of the hands of private corporations and managed by a federal agency on a government-to-government basis. Private, profit-oriented corporations are not the proper instruments to control what amounts to our industrial life's blood. They are allies and agents of the blackmarket.

In labor's view, the Federal Reserve should have reduced the discount rate instead of increasing it. Selective credit regulation would do far more to stabilize the economy than increasing the profits of moneylenders possibly can. High interest rates do nothing to curb speculation and other unproductive investment; they only halt investment in housing and industrial development.

To stabilize prices, the government should take direct action to hold down inflation in the basic necessities: food, energy, housing and health care. Government housing programs should be expanded, mortgage rates should be reduced in order to overcome the housing shortage that has inflated prices artificially.

Hospital-cost containment and controls on professional fees are needed. A comprehensive national health program is essential to bring about effective control of health costs.

Farm production should be bolstered in ways that ensure that family farmers and consumers receive a fair share of the benefits. Certainly, U.S. tax dollars should not be used to underwrite the profits grain dealers and speculators expected from the sale to the Soviet Union that have now been blocked. Money accrued from government purchases should go to farmers, and the increased grain supplies should help stabilize domestic prices.

At the same time, special programs to fight recession are needed in order to keep the economy afloat and prevent mass suffering. The AFL-CIO is urging the Congress to enact:

- A standby emergency public-works program.
- A countercyclical aid program to help hard-pressed state and local governments to deliver the services their citizens need.
- Adequate funding for public-service job programs.
- Programs to increase the housing supply and counteract the depression already under way in the construction industry.
- Mass transit and railroad construction and rehabilitation — actions that can also pay invaluable dividends in energy conservation.

Big Stake

U.S. workers and their families have an enormous stake in the nation's success or failure in overcoming its problems and they are prepared to shoulder their full share of the struggle.

The AFL-CIO is participating in the administration's voluntary program of pay and price restraint as part of the national accord designed to help meet the nation's overall economic problems. In the Pay Advisory Committee, we have agreed to support new wage policies that call for substantial sacrifice on the part of U.S. working men and women.

But while workers are ready to bear these sacrifices and share in whatever national austerity may be needed, we insist that the burden must be shared equally. Wage restraint must be translated into real

progress in reducing inflation rather than merely helping to increase further corporate profits.

If voluntary efforts fail, the administration and the Congress should turn to mandatory anti-inflation programs that control every source of income — prices, profits, rents, interest rates, professional fees and dividends, as well as wages. The U.S. economy must be revitalized so that the nation can maintain and improve its national security, its international role and its technological and economic well-being. The United States must have a strong, diversified economy, providing adequate income and decent job opportunities to all Americans.

A Breakdown in Morality

By William Safire

WASHINGTON — Jimmy Carter decided to teach the Israelis a lesson they would never forget. His delighted pro-Arab aides — Harold Saunders at the State Department and Donald McHenry at the United Nations — then went all the way in abandoning Israel. Only after the scope of the U.S. condemnation of Israel was explained to him did the president courageously direct his secretary of state to feign diplomatic stupidity and legal sloppiness.

Carter's frantic apologists are saying it was all a simple mixup: That he had told Cyrus Vance to strike out the reference to Jerusalem, and that Vance — formerly reputed to be a careful lawyer — proceeded to strike out one reference to that city and left in seven thunderous "including Jerusalem" clauses.

The essence of Carter's duplicity, however, deals with a decision he does not try to lay off on an aide: casting the U.S. vote in favor of dismantling all Israeli settlements at present in occupied territory.

Bid Fails

Some Israel supporters have favored a freeze on future settlements, but none — including Prime Minister Begin's fiercest opponents — backed up the PLO demand for the uprooting of every Jewish family that had settled in the West Bank.

Incredibly, Carter says he told Vance to tell McHenry to try to get the "dismantle" out of the UN resolution, and when that attempt failed, to vote for the dismantling but to issue a statement saying we were against it.

The United States never had to take such a two-faced line; if McHenry, a low-key Andy Young, wanted to knock "dismantle" out of the resolution, he would have threatened to veto. He did not; McHenry and Saunders wanted to win radical Arab friends by punishing Israel.

Now did Carter's agents object to voting for another major change in U.S. policy, negotiated in defiance of agreements with Israel and kept secret from the Senate Foreign Relations Committee: changing the phrase "occupied lands" to "Palestinian lands." With a swiftness raised hand, McHenry awarded territory that is the subject of delicate negotiations to the Palestinians.

The U.S. mediator in the Egyptian-Israeli talks about that territory, Ambassador Sol Linowitz, was informed by cable from Saunders of both the "dismantling" scheme and the plan to oust Jews from East Jerusalem. Linowitz, says a source at the State Department, sent a strong cable to both the president and the secretary of state warning that such moves would unnecessarily complicate the peace talks. He urged that the U.S. vote against dismantling, and not merely abstain.

Rhodesia's Message To South Africa

By Anthony Lewis

BOSTON — The Earth moved. That is the feeling left by the election results in Rhodesia, so profound are their implications for southern Africa and for policy-makers elsewhere.

Robert Mugabe's overwhelming victory carries one central message: Blacks in southern Africa, like other people, want their own political voice, they resent being told what is good for them. That may seem glaringly obvious, but it is a truth that the ruling whites have not wanted to see.

"Our blacks are happy — it is only communists and outside agitators who make trouble." Anyone who has visited Rhodesia has heard that kind of statement many times, just as it used to be heard in the old U.S. South. People really believed it when they said it. They will not be able to believe it anymore in Rhodesia.

The years of denying the vote to Rhodesia's black majority, and then of entrenching white power under a mixed regime, had the expected effects. Frustrated, blacks rejected those of their own leaders who had compromised and turned to those who had fought white rule.

Immediate Lesson

The lesson is most immediate for South Africa. Its whites, less than 20 percent of the population, have resisted any meaningful sharing of power. They have offered blacks political rights only in some distant, impoverished "homeland." Rather than talk with black leaders as they have arisen, the white government has repeatedly imprisoned them: Nelson Mandela, Robert Sobukwe, Steve Biko.

Talking is urgent: That is the message South Africans should hear from Rhodesia. And it is not any use talking with amiable blacks chosen by the white system. It is necessary to listen to those who can speak the true feelings of blacks, unwelcome as they may be. A year ago in South Africa, I heard a white businessman ask a middle-class, professional black whose voice the young people of Soweto listen to. "They listen to Robert Mugabe on the radio from Mozambique," he answered. Will white South Africans now begin to understand the reasons for that answer? Will they talk before it is too late for talking?

Wrong Solution

For Britain and the United States, too, the Mugabe victory carries important lessons. It exposes the folly of the rightist figures — Sen. Jesse Helms, Henry Kissinger, the Tory right in Britain — who thought the Rhodesian problem could be solved by making a deal with Ian Smith, the white rebel leader, and some tame black associates.

Last summer, for example, Kissinger excoriated the Carter administration for trying to bring the exter-

nal guerrilla leaders into a solution instead of fan Smith's "internal security" side of the ideological. Even Kissinger must not let his policy would have been a for continuing war and in Rhodesia. No solution without the leaders in election shows, speak for the overwhelming majority of Rhodesia and his black colleagues the internal regime won less percent of the vote.

Fortunately, neither the nor the U.S. government the argument that peace is achieved in Rhodesia with genuine voices of the black. A Labor government with the United States for a settlement. Then Margaret Thatcher's Conservative government a bold attempt, on its own agreement on a new cons and hold a new election.

Miracle

Without physical power ground, Britain carried off to be called a diplomatic and cal miracle. Despite the trouble, the election was by most representative ever in southern Africa. The plainly did not favor Mugabe which gives his victory the legitimacy.

Those outside Rhodesia have suffered and hoped for potentially marvelous could not celebrate too soon rible dangers remain. But in Mugabe has so far shown a nation of magnanimity and shies that gives some reason for optimism. He seems less concerned ideology than with stability.

Mugabe quickly talked with white commanders of the a forces, calling them "the chiefs," and indicating that he want them to stay. Despite his would form a broad-based government, perhaps including white said he would respect pro rights and civil service pen and he had reassuring word Rhodesia's powerful neighbor.

A Pledge

"We should pledge ourselves," said, "if South Africa does so, part, to noninterference in African affairs and they to interference in our affairs."

Can it possibly work? I think South Africa has already shown that it can have practical good relations with a Marxist Mozambique. It and the whole region would fit enormously if Rhodesia be a stable, prosperous Zimbabwe der any ideology. But in the run, peace in the region will D south Africa heading the R sian example and listening own black voices.

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ber: "Nobody gets any if there ain't none!"
CLIFFORD B. SONDOCK.
Finnest, Greece.

The Bread Index

According to the last paragraph of the IHT editorial "Anti-Inflation Competition," (IHT, March 1) "There is not yet a full-fledged crisis... Is a 18- to 20-percent inflation not a full-fledged crisis? When, as was true during the Weimar Republic, a loaf of bread costs one million marks?"
WILLIAM PASSIGLI.
Minusio, Switzerland.

Letters

Production Needed

In Hobart Rowen's "On Drastic Measures in Inflation Battle," Mr. Rowen throws around such terms as "controls," "inflation" and "depression." However, he never mentions that which the economy is all about, production.

"Controls" artificially maintain prices at a below market level. This creates both a disincentive for business to increase production and increased consumer spending. The results are shortages and the inevitable black market that simply acts as the underground general market matching supply and demand. Production is crippled, and the consumer becomes the victim. Remember:

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unsettling visions page 11W

Rolling in the dough page 12W

weekend

The Many Faces of Goldie Hawn

by Justine De Lacy

PARIS — As she minces out of the make-shift dressing room on four-inch gray suede spikes — a classic Tonnerville Trolley walk — delicate, finely molded knees peek through the chic little navy suit. Blue nicely sets off the cascading, carrot-colored wig. Perched somewhat precariously on top, like a marzipan bride-and-groom on a wedding cake, is a flaming fuchsia Nehru hat. "Can you dig it, baby?" she asks. She pirouettes for the admiring crowd of extras, batting her baby blues.

Under the mountain of hair, you almost don't recognize Goldie Hawn. And then she smiles. Manic. Antic. One hundred percent pure glee. Wall-to-wall mirth. The screen's most elastic ace since Marilyn Raye. She is Eloise at the Plaza. Zazie in the Metro. Daddy's Little Girl rying very hard not to laugh out loud in church. Hawn — the madcap, devilish blonde who burst onto American television screens in the late 1960s in "Laugh-In" — won an Oscar in 1970 for her performance in "Cactus Flower," her first film. She has been cracking audiences up ever since in such movies as "There's A Girl in My Soup," "The Duchess and the Dirtwater Fox," "Sugarland Express" and "Foul Play" and is now in Paris making a new film and her debut as a producer.

The film, "Private Benjamin," a comedy about pampered, sheltered Jewish-American Princess who is conned into joining the Army by a seductive recruiting officer and therein learns about LIFE, is being made by Hawn-Meyers Productions, a company founded by Hawn and Lancy Meyers. Meyers has written the film with Charles Shyer and Harvey Miller, both of whom wrote the "Odd Couple" TV series for several years. (Miller is occasionally asked to write one-liners for President Carter's speeches.)

"This is a comedy of substance, not Jerry Lewis in boot camp," cautions Shyer, who is in Paris for last-minute rewrites. "It's a saga really. Judy Benjamin will break your heart." Hawn's flaming carrot wig is the brightest one of color in the concrete bleakness of Charles de Gaulle Airport, where a final scene is being shot: Judy Benjamin, out of the Army now, welcomes her parents (Sam Wanamaker and Barbara Barrie, recently nominated for an Oscar as the mother in "Breaking Away") to France to meet her French fiancé (Armand Assante), out of love for whom she has dyed her hair.

Cameras with walkie-talkies roam the people-movers, trying to make themselves heard over flight calls on the loudspeaker. Extras wander back and forth, lugging their Louis



Goldie Hawn, on and off the set of "Private Benjamin" last week in Paris.

Some humor is a shield, defense,' Hawn explains. 'Mine isn't. My humor comes from reality, from my attitude toward life. It's rhythm. Music. Timing.'

Vuittons. Take 1. A group of Japanese tourists wades through the set and has to be directed to people-mover No. 101. Take 2. This time a camera cable almost gets caught in the escalator rail. "This is like a Chinese fire drill," says director Howard Zieff, shaking his head.

With only a week of shooting to go, everyone seems tired and irritable. Everyone but Goldie Hawn. "Are you OK, baby?" she asks a nervous production assistant. "Stay calm now, sweetheart. Stay calm." She grins. "Remember, the trick is not to absorb other people's anxiety."

She mugs anxiety, chattering her teeth and

shaking the cigarette she's holding. The production assistant laughs, her miseries momentarily forgotten. During the entire day's shooting, Hawn, whose schedule is particularly hectic because she's in every scene, pats, soothes and coos at the crew around her. "Can you believe she's been up since 5 a.m.?" says an admiring script girl. "How does she keep smiling?"

In fact, the expansive, demonstrative Hawn could not seem more unlike the pampered, spoiled Benjamin whom she plays in the film. "I certainly was never pampered, and we didn't have a lot of money," adds Hawn, the daughter of a professional violinist who began studying ballet at the age of 3 in Washington, D.C.

She collapses into a portable director's chair for a 15-minute break between takes. "But my mother always knocked herself out to give me the best of everything whenever she could," she speaks slowly, thoughtfully, as studied in person as she is spontaneous on film.

Hawn has great empathy for Judy Benjamin. "There's an evolution in this character unlike anything I've ever played. It's not just a comedic performance. Judy's a different person when she gets out of the Army than when she goes in." She pauses, looking right at you with the baby blues.

"She's a person who's never had to work very hard, and the Army requires her to do a lot of things she's never had to do. She's shouted at, forced to stand up for herself. There's a mixture of races and classes she's never had to confront. As a result, she gains self-esteem, confidence."

At the end of the movie, Judy Benjamin — sheltered by her parents, two husbands and an adoring fiancé — makes a decision to stand

alone. "I think it's more a question of confidence, of perseverance and determination than of standing alone," adds Hawn. "We all need each other. Standing alone isn't something anybody wants to do for very long."

"Private Benjamin" gave Hawn more of a chance to do physical comedy than she's had before. "Boot camp was a lot of fun," she rolls her eyes, emits the famous giggle. "Crawling under all that barbed wire. And the marching. Impossible cadences."

The film's subject is so timely it could be propaganda for President Carter's much ballyhooed proposals to draft women. After all, if the Army can really "make a woman out of you," shouldn't we sign right up? "I'd go in a

minute if I were 19," says Hawn, perhaps the youngest-looking 34-year-old on screen. "Why shouldn't we fight if we demand equal rights? But until the Equal Rights Amendment is passed, the whole idea of a draft for women is ridiculous."

A mother of two who describes her children — a boy of 3 and a girl 10 months — as "the most important thing I've done in my life," Hawn feels that mixing motherhood and a career is a very healthy. "I like the idea that my son understands that his mother works. Maybe he'll be more understanding someday when his wife works. And I hope the fact that I work will give my daughter some ambitions of her own." She is married to singer-comedian Bill Hudson, whom she calls "a marvelous father, a blessed man."

Two more takes on the people-movers. "This is making me seasick," a cameraman complains. Hawn snatches five minutes to eat a bowl of

vegetable soup standing up, then sidles up to Meyers, who has been agonizing over last-minute wardrobe changes, and gives her a quick back rub.

After "Benjamin," Hawn is scheduled to star in Neil Simon's "Scent of a Woman" and co-star with Lizzy Minelli in the screen version of the hit Broadway musical "Chicago." Then, she says, she will look for a good dramatic role to sink her teeth into. "I want a chance to do a straight dramatic role, and I don't think that time's very far away. And I'd like to do some Shakespeare."

The highlight of her career, she says, was playing Juliet with the Virginia State Company when she was still in high school. "There were about 3,000 people sitting in the amphitheater and it started to rain during one of my speeches. I didn't know whether to get off the stage or not, and I didn't and not one person moved. That's the best compliment I ever got."

A straight role might help quash her lingering "Laugh-In" image as professional, albeit adorable, flake. Comedy is constricting, Hawn feels. "After two and a half years on 'Laugh-In,' it was really hard to get it up every time the red light went on," she says. "But any one thing is limiting after a while. A lot of serious actors would love to be able to do comedy and can't."

Howard Zieff asks if she wants to smoke nervously in the next shot. "Yeah, baby," she says. "I'll puff on it and puff on it and then just stomp it out. OK, sweetheart?" The manic, elastic smile. A giggle. Zieff ambles away, content.

Comedy isn't Hawn's only talent. She has the even rarer gift of making people delight in doing things for her. Boda, her Yugoslav driver, ambles up with a bowl of soup that he has bullied someone into heating up. "Oh Boda. Sweetheart," she exclaims. "Thank you. How wonderful. How nice." The smile. The baby blues. Boda melts. He shakes out a light blue napkin, spreads it on her lap. He beams. "Like for baby," he says.

"That man," says Hawn, "is blessed by God." Some smiles shut you out; others let you in. Hawn's smile, like her humor, lets you in. It is endearing in its complicity. One look says, "Wait till you hear this! But don't tell anyone. It's just between us."

"I'm a terrible joke teller," she explains. "I'd have no career as Lenny Bruce. My humor's an attitude. It doesn't come from insecurity. Some humor is a shield. A defense. It's confrontative. Mine isn't. I don't know what I'd be defending. My humor comes from reality, from my attitude toward life. It's rhythm. Music. Timing."

Influences? "I never studied acting the way I studied dancing. I never looked at anyone and said, 'I want to be like that person.' Physically, maybe. I would look at Audrey Hepburn and think she's the most delicate, gorgeous thing. But I never wanted to be like another person. Hawn puts Lucille Ball at the top of her list of women comedians. "Her timing is like a symphony. She's just a funny woman. I love Streisand, too. She's brought me to my knees with laughter. She's also very sexy."

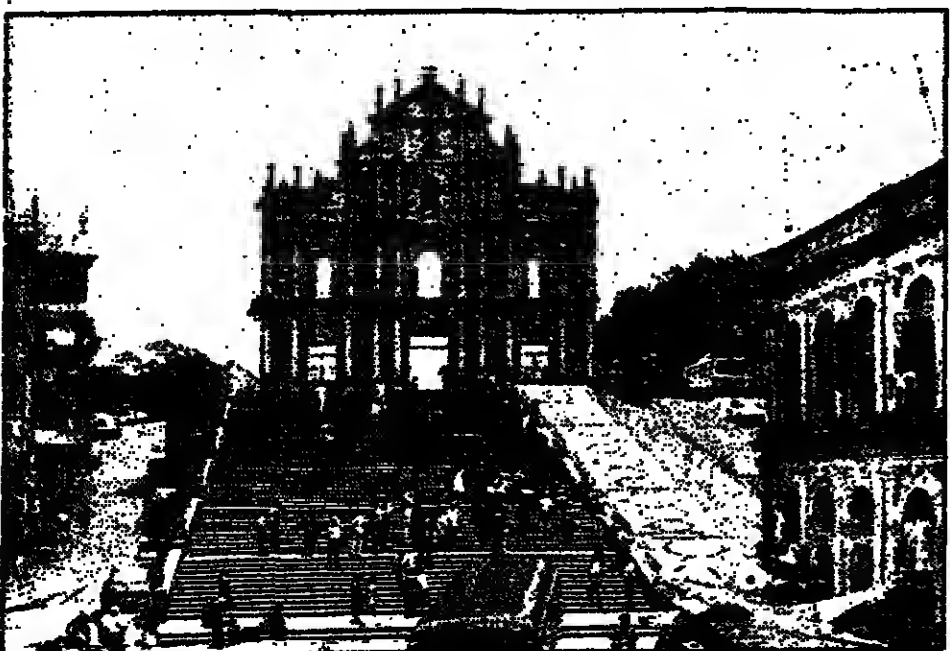
While many women list a sense of humor as one of the qualities they most want in a man, "funny" is not an attribute many men seek in an ideal woman. Funny, in fact, is usually assumed to be the opposite of sexy — it is difficult to be a femme fatale and a clown — but it's a combination Hawn pulls off. "There are so few comic women who are feminine at the same time," she says. What makes a woman appealing? "Openness," she answers without hesitation. "A lot of men are turned off by directness in a woman, of course. But I wouldn't want to know one like that."

After a long day's shooting, Hawn still looks as if she's having a ball. It gets disconcerting after a while. Just how does she keep it up? The witty reporter wants to know. "Mainly, I just love life," she says. "I really love life. I'm going to be very sad, very sad when my time is up."

She is making me seasick, a cameraman complains. Hawn snatches five minutes to eat a bowl of

A Sleepy Weekend Is a Gambler's Dream in Macao

by Simon Lloyd



The brooding facade is all that remains of Macao's Sao Paulo Cathedral.

MACAO — Imagine Las Vegas without the brass glitter and Monte Carlo stripped of its sophistication. Take an oriental cocktail of Portuguese sparkling rose and Chinese snake wine and you have Macao, the oldest European settlement in Asia and one of the most enchanting places on the continent to eat, drink, take a siesta and lose a fortune in.

The tiny little Portuguese territory, six square miles on China's doorstep, is worlds away from Hong Kong just an hour's dash away by Jetfoil across the Pearl River. Hong Kong is frenetic, money-mad and bursting with vitality. Macao, once a raucous den of drug and gold traffickers, has turned indolence into a fine art. Its sleepy charm is best savored in cobbled backstreets, tumbledown ruins and a cup of Brazilian coffee at a sidewalk cafe. The 20th century only intrudes with the roll of the roulette wheel in its packed casinos.

The great characters of Macao typify its deep contrasts. Father Teixeira, the elderly erudite historian of Macao, plucks thoughtfully at his white beard while strolling round the old Protant Cemetery, a nostalgic spot that vividly trays the cruel price paid by Western adventurers in 19th-century Asia. Few of the tombstones recall men who lasted beyond the age of 30. Disease, war and the humid tropical climate took their toll. Two children he buried side by

side. Artist George Chinnery, China missionary Robert Morrison and even an ancestor of Sir Winston Churchill are among the more illustrious people buried here.

Father Teixeira also lovingly tours Macao's most photographed monument — the shattered basilica of Sao Paulo Cathedral. The church, built in the 17th century by fugitive Japanese Christians from Nagasaki, was almost wiped out by a typhoon in 1853. Today, all that stands is the facade, a brooding, strangely impressive site set against the harbor's junks and the rolling hills of China.

Meanwhile, Stanley Ho, a millionaire Eurasian businessman with the dapper good manners and elegant grace of an English gentleman, glides unobtrusively around the gaming tables in his Hotel Lisboa, a giant wedding cake of a building that feeds on the gambling passions of the Hong Kong Chinese, who pour in every weekend to try their luck. Ho's hotel has none of the dinner-jacket elegance of Monte Carlo or the showbiz razzmatazz of Las Vegas. A wizened old Chinese fisherman with a black tunic throws on his wagers with almost demotic concentration. Next to him is a dowdy housewife in a scruffy dress. The game's the thing, and nothing else counts.

Macao has a quartet of casinos that supply a third of the revenue for its 275,000 people. My favorite is the floating casino down on the seedy, mist-shrouded waterfront. Walking to it

through the cobbled streets, you can imagine the old sin city of Asia crammed with opium dens, gold smugglers and the brothels of the rue de Félidade. You wouldn't be surprised if Humphrey Bogart stepped out in his raincoat and asked you for a light.

Across, on one of Macao's outlying islands, the great god is not gambling but food. Saludes, an amiable ex-policeman with the build of a grizzly bear, concocts culinary miracles beneath a grubby old fan in a ramshackle restaurant. In these unpromising and often unimpressive surroundings, customers are treated to superb suckling pig or *bacalhau* (codfish) by the jovial host, who will offer a hefty slug of Portuguese brandy on the house if he likes the way you look. He scribbles the bill in pencil on a scruffy bit of paper. The total varies from table to table as Saludes shrugs, sizes his customer up, plucks a figure at random out of his head and decides what should be paid.

But Macao is not just confined to the succulent specialties of Iberian cooking. Stomachs — or rather nerves — can be put to the test with a trip down the rue da Felicidade, once the red-light district of Macao but now offering very different fare.

For the Chinese food fan used to the delicacies of Peking Duck or spicy Szechwan dishes, the establishments there might come as a startling surprise. Filled high outside are cages full of live eagles, raccoons, snakes and bears. You point at your squirming dinner, let the cook

wield his knife and wait for the banquet to begin. Definitely not for the faint-hearted.

Macao, which springs alive every November for the Grand Prix around its twisting, hilly backstreets a la Monaco, can be covered in a day. But hurtling around in an if-it's-Tuesday-this-must-be-Macao frame of mind, you will never capture the mood of the place and also miss one of Macao's evening delights.

At the Bela Vista, a crumbling old colonial hotel with a sweeping view over the banyan tree-lined Praia Grande, you can sit on the balcony sipping chilled Portuguese rose and admiring the sunset over the Pearl River.

IF YOU GO

Macao has no airport. The fastest way to get there is by Jetfoil from Hong Kong, a one-hour trip that takes you past Hong Kong's outlying islands and offers magnificent views of the South China Sea. The more leisurely minded can take the ferry and visualize a Bogart-Bacall celluloid romance of the Orient while gazing out from the deck. Visas are issued on arrival. The local currency, the *pataca*, roughly equals the Hong Kong dollar, which is accepted everywhere. There is a wide selection of hotels, but it's best to book ahead for weekends, when the gamblers hit town, and at Grand Prix time, when accommodation is like gold dust.

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Rolling in the Dough



by Jane Wilkens Michael

PARIS — Lionel Pailane is known for his dough. That's just the way he likes it. The list of celebrities who stop by his boulangerie at 8 rue du Cherche-Midi includes Jack Nicholson, Billy Friedkin and Joel Gray. Pierre Cardin loves the sourdough rye. President Giscard d'Estaing serves the cheese loaf at official dinners, and Muriel Hemingway has asked for baking lessons.

On special order, Pailane will style his dense, chewy *pain de campagne* into any form. A tennis racket was created for Chris Evert. Music lover Danny Kaye received a baton, and Salvador Dali had his bedroom replete in miniature size. Dali also commissioned a dough birdcage so that, while guests dined, his doves could eat their way out of captivity and provide an aerial floor show at the end of the evening.

The way I came to know Pailane wasn't particularly glamorous. Biting into a *galette des rois*, a traditional French Epiphany cake, I chipped a tooth on a small stone *feve*, a charm

representing the gifts from the three Magi that is hidden inside each cake. The conventional French baker uses light plastic *feves*, but Pailane uses the traditional stone carvings. I called the store in a fury, and Mr. Pailane sent both an apology and a *pain d'amitie*, a rye bread which has edible peace symbols designed in the crust.

Since Lionel took over the bakery from his father seven years ago, business has continued to rise. As he explains: "With the new concern for a high fiber diet, people are seeking more whole grain products." The French, he says, consume more bread per capita than any other nation: 190 grams a day, or five tons in a lifetime. But Pailane feels that most ordinary French bread is just an empty, overprocessed loaf of starch.

It wasn't always like this. "Originally, everyone baked our type of unrefined bread," he says, "but the price of wheat was so sensitive that the weight and size of all bread was tightly controlled." Bakers' goods were watched, tested and checked. The problem was solved in the early 1900s with the creation of so-called "fantasy" breads, the oow ubiquitous *baguette*, *ficelle*

and *batard*, that circumvented government regulations. They were so successful that today it is Pailane's products that are considered specialties.

But they have caught on and Pailane keeps a staff of 75 busy night and day churning out his "signature" line of *pain miches* (round bread), ranging from whole wheat to walnut. There are also little raisin rolls, butter cookies and apple tarts. With the help of Irena, his Russian-born American wife, Pailane runs two of his own stores (the other one is at 49 boulevard de Grenelle, Paris 15), and bakes for 250 others all over the city. He delivers from Monday through Saturday to super-chic shops like Hediard and the Cardin-owned Maxim's Alimentation. He also supplies several hundred restaurants, including the three-star Archange.

Pailane's methods go back to the days when bread was made by hand. He personally designed his wood-burning ovens built right into the kitchen walls. Large pits with flaming fires greet the dough, and their heat is so fierce that the bakers wear only a minimum of clothing.



Pailane claims that these ovens, which burn 2,500 metric cubes of wood annually, give the bread an incomparable taste and smell — "like the difference between just broiling a steak and grilling it over an open fire," as he puts it.

Pailane makes his flour from whole grain, processing it through a special grindstone mill without the use of heat that, he believes, can destroy the vitamins. The flour becomes dough in the usual progression of siftings, kneadings and rollings. "We do not use yeast," he says, "and it takes about eight hours for the sourdough to ferment and rise by itself." A "long time if you consider that yeast makes it rise almost instantly." But it's not as natural, he concludes.

To get its round shape, the bread rests in stacked wicker baskets until ready to be cooked. At any given moment, one of Pailane's 32 bakers (who work 8-hour shifts) is busy placing the bread on wooden slats that look like thin canoe paddles and sticking them into the flaming oven, where they bake for an hour. This process continues on a 24-hour basis to keep up with the ever-increasing demand.

Of course, Pailane's success has not come without its little setbacks. Bloomington's in New York once ordered 9,000 *pains de seigle* (rye bread loaves). He went ahead and had special boxes made with the store's name on them. But there was a misunderstanding — they only wanted 900. Pailane was left with 8,000 empty boxes. It is still not unusual for a local *fromagerie* to get a delivery of Pailane bread in a "Special for Bloomington's" carton.

Not deterred by that experience, however, Pailane has spoken with Macy's Celler in New York about stocking his goods. But he has not yet found a successful way to ship large quantities on a steady basis. Since there are no chemical preservatives added, the shelf life of his bread is only about five days. But it freezes well and, some say, tastes even better after freezing. Now Pailane is considering the possibility of shipping "cold," by testing how long bread will last under these conditions. Perhaps carrying things a bit far, he has had a *pain de campagne* in his freezer for 10 years.

As a favor, Pailane will airmail bread to

friends abroad. But he has found that this can cause problems. One California client had his rye bread spoiled by a local customs officer who had sliced it into little slivers looking for hidden drugs. The next time, the client was ready. Grabbing a salami, some cheese and wine, he ran down to the customs office and had a picnic right on the spot.

Pailane considers baking an art form. With the help of a friend, he has made a huge bas-relief of his *pain de campagne* in plastic, about four meters across and one meter high, that he hopes will be shown at the Pompidou Center here in a few months' time. In size, it represents the five tons of bread a Frenchman eats in his lifetime.

The question is, are Pailane's breads as good as they are chic? Some complain that success has spoiled Pailane; that the bread isn't worth the premium they pay for it, and that the bread distributed to local stores isn't as good as the bread at the Cherche-Midi store. Nevertheless, Philip Roelke, the general manager of the post Hotel Cailion, which serves his walnut bread, says it's the best available. "If you don't make your own, it has to be Pailane."

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A Humor Magazine Grows Up (and Rich)

by Diana Bletter

NEW YORK — This time, it's no joke. The National Lampoon, the leading adult humor magazine in the United States, just turned 10 years old and is celebrating the occasion with the publication of a 300-page anthology as well as nationwide press tours.

Still in its prepubescent years, the magazine has been a success in the United States as well as in Europe, where it is reprinted in the French magazine *Pilote*, Playboy Germany and a Swedish magazine, *Lektyr*. Not a bad reputation for a minor.

The National Lampoon was started in 1970 when three Harvard University students on the staff of the Harvard Lampoon — Doug Kenney, Robert Hoffman and Henry Beard — were seeking backers for to distribute a parody of Life magazine nationwide. They convinced Twenty-First Century Communications, Inc. (publishers of Signature and Weight Watchers magazine, among others) not only to finance the parody but to make it a monthly humor magazine. Twenty-First Century bought rights to the name National Lampoon, formed a partnership with the three undergraduates and the magazine was born in fewer than nine months.

The time was right, the idea was ripe, and the magazine caught on instantly throughout the United States. The Lampoon's satirical irreverence for everything from Santa Claus to religion and politics echoed the sentiments of the political young generation of the early 1970s. It was often difficult to woo advertisers, because the magazine never hesitated to make fun of its own advertisers' products. One of its more famous barbs was a false advertisement showing an air-tight Volkswagen floating in water and a caption that read: "If Teddy Kennedy drove a Volkswagen, he'd be president today."

But the Lampoon succeeded, almost in spite of itself. In fact, the issue which sold the most copies had a cover photograph of someone pointing a gun at the head of a frightened dog. The caption? "If you don't buy this magazine, we'll kill this dog."

It rose to the height of its popularity in 1974, when circulation climbed over 800,000. Then, with the rise of such pornographic magazines as *Fenhouse* and *Hustler* and the decline of the interest in politics among young Americans, the Lampoon lost many of its readers. In 1975 Hoffman, Beard and Kenney sold out their shares in the magazine (a \$7.5 million debt still being paid off by Twenty-First Century Communications, Inc., now called National Lampoon, Inc.) and the magazine floundered with editorial ineptness and lack of direction.

Along the way, however, the magazine spawned humor in a variety of media. Several road shows in the United States, including "Lemmings" and "That's Not Funny, That's Sick," gave work to such actors and actresses as John Belushi, Chevy Chase and Gilda Radner, who were then unknown. In addition, the magazine published two infamous parodies, the "National Lampoon High School Yearbook" and the "Sunday Newspaper Parody." Under the direction of P.J. O'Rourke, National Lam-

TV Guide Highlights

10:00 PM - *The National Lampoon*
A comedy of the week's best covered Notebook



Mona Lisa, National Lampoon-style.

poor's current editor-in-chief, the parodies proved that the magazine can do better in minor and mimic American traditions (readily).

The cover of the "Sunday Newspaper Parody," for example, showed a newsboy tossing a dog with a newspaper in its mouth onto a subway front step; the "High School Yearbook" cover showed three cheerleaders boosting in front of a crowd of amazed spectators — because one of them has no underwear on. Future parodies include reproducing an envelope of junk mail and the "Yellow Pages."

The most resounding accomplishment of the National Lampoon return to date is, above all, the release of its film, "National Lampoon's Animal House" in 1978. Grossing more than \$130 million — to make it the most financially successful movie comedy in history — "Animal House" characterizes a fictitious American college fraternity in the early 1960s.

The movie has since inspired American college students to throw their own "Aga parties" (everyone dresses in white sheets and enters drunk), join fraternities, have food fights and engage in pre-Vietnam War era collegiate pranks. The irony might be that the Lampoon has become as much an American institution as its satirized victims.

Since producing "Animal House," Marty Simmons, the chairman of National Lampoon, Inc., has moved to California to produce other National Lampoon films in conjunction with Universal Studios. The first, scheduled film, "Jaws 2: People 0," was canceled due to supposed dissatisfaction with the script among executives at Universal, but future film projects include a sequel to "Animal House," "Lemmings," and "Kicks," a film about a world-famous soccer star who is kidnapped.

Meanwhile, in New York, the National Lampoon's circulation has climbed back to 600,000 (at \$1.50 per copy). The magazine has grown older and has lost its first set of teeth. The political bites are still incisive, but the Lampoon wants to make sure it doesn't take on more than it can chew. The editorial slant has shifted from leftist to politically ambiguous. The Lampoon persists in calling blacks "Negroes" (although one editor argues that one can undermine racism by being conspicuously racist), and it portrays women in ways that seem amusing to some but degrading to others.

The Tenth Anniversary issue, for example, published photographs of "those women" who had the dubious distinction of winning the National Lampoon Bucket Contest, wherein readers took photographs of their girlfriends naked, with buckets over their heads. In the same issue, however, was a commentary on 1970s with a photograph of a U.S. Supreme Court that never was. It consisted of five men, three women, a baby, a dog and the fictional lawyer William Kunstler. All is not forsaken as the magazine turns adolescent.

Each month's issue has a different theme: 1980's themes include anxiety, sex, aggression and excess, and its staff gets ready to pour approximately four months in advance. The editors meet to plan jokes as efficiently as body members of an investment firm, and the apparently effortless craziness of the magazine comes from long hours of editorial solitude.

When it was a tot, the magazine's staff used to play darts and a game called "throwing chairs" in an office that was the quintessence of disorder. Since "Animal House" and the magazine's popular resurgence, the original office has been redesigned in Hi-Tech style (mirrored long natural wood desks and large green plants) and are now as solemn as a library. Editor P.J. O'Rourke's office is decorated in muted gray and leather; there is a sturdy oak desk and a map of the world on the wall. Perhaps the heart of the office is only a cover-up for its evening takeover of the world, when nations shall turn weapons not into phosporus but into party favors.

Now, however, fighting among staff members is common. The editorial department battles its art department for space and control (with the managing editor to serve as mediator), and both quarrel with the advertising department, which often wants the magazine to cover the latest in hi-tech and advertising. Occasionally a photograph is taken in the office which relieves some of the subtle (this reporter, an ex-staffer, once pretended to be caught drinking during his employer's party) during a Christmas party, but generally the atmosphere is serious. As any humorist will confirm, the process of making humor isn't always funny, even if the results are.

Although the Lampoon readers who supported the magazine's heyday, the magazine's future isn't some of the present (or is it?). For its 10th birthday, the Lampoon decides to blow out 10 candles — all by itself. The readers, after all, don't have to do any of the dirty work and can only ask: "Who's laughing last? Happy Birthday, National Lampoon."

Appreciation

الشرق الأوسط

Banking Analysts Are Predicting Higher Interest Rates Globally

LONDON, March 6 (Reuters). — Banking analysts worldwide are predicting continuing upward pressure on interest rates in the next few months as they wait for the elusive Fed decision on its rate hike.

U.S. interest rates are widely seen as the benchmark, due to continuing pressure of the money supply and the year's tax quarter gets underway. This in turn could add to the pressure on the Fed to raise rates.

West European countries, such as Germany, are also expected to raise rates. Japan, where dollar-denominated imports could require further steps to gain control of money supply.

Its growth has accelerated in the last few weeks, and with further corporate borrowing expected in advance of the March 15 tax due date spilling over into April, the outlook is for still further increases in money supply, they said.

Corporate borrowing has been underpinned by high rates. Indeed, short- and intermediate-term bor-

rowing has been highlighted by corporate reluctance to participate in the high rates of the long-term bond market.

In London today, Chase Manhattan Bank vice president Richard Aspinwall said U.S. prime rates could reach 19 to 20 percent before peaking and will probably stay high for the remainder of 1980. Mr. Aspinwall, Chase Manhattan's chief economist, said that he expected the Fed to hold monetary policy tight until signs of a possible recession in the United States were very clear.

Frankfurt Bankers

Frankfurt bankers said that interest rates have stabilized following last Thursday's Bundesbank decision to raise the discount rate one point to 7 percent and the Lombard rate 1½ points to 8½ percent but a forecast of short-term developments is difficult.

The domestic bond market picked up after the Bundesbank measures, with yields on 5-10 year paper falling slightly to around 9 percent. Money market rates from one to 12 months have also eased.

The Bonn government is viewed as being reluctant to see interest rates soaring in an election year, threatening growth, raising mortgage costs and adding to the cost of government borrowing.

However, the bankers said the Bundesbank's main aim will remain to protect the mark by adhering to its tight money-supply target, and if that means further increases in leading interest rates, the central bank is unlikely to flinch.

Zurich Bankers

Zurich bankers believe it is inevitable that Swiss interest rates will rise soon, pointing out that rates in West Germany are considerably higher even though West German inflation is about the same as in Switzerland.

In a recent interview, central bank president Fritz Leutwiler commented with this view, saying that rates must go up if the franc's weakness is to be resisted. He emphasized that the chief aim of monetary policy at present is to combat inflation, which he said would be pushed higher by more expensive imports if the franc weakened further.

However, Mr. Leutwiler said he does not want rates to shoot up too fast, for fear this would trigger new mortgage rate rises, which in turn would fuel inflation by their effect on rents and agricultural prices.

In Zurich today, four major Swiss banks increased their rates for time deposits by non-bank clients by a uniform 0.25 percentage point to 2.5 percent for three-to-five month deposits, to 3.5 percent for six to 11 months, and to 3.75 percent for one-year deposits, banking sources said.

Economists in London said they saw Britain resisting pressure for higher rates, though the money markets remain very tight and further market-smoothing operations (Continued on Page 17, Col. 1)

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News and Notes

Dynalene has signed an agreement with Ruhrkohle, West Germany's largest coal producer, to develop a process for making synthetic fuel from coal, the U.S. company says.

Dynalene, which is owned by a consortium of American and European companies, has agreed to pay \$1 million for a one-year option to buy European rights to Dynalene's process called H-coal.

It is the first time that a U.S. company has sold such rights to a foreign company. The West German firm, Ruhrkohle, has agreed to invest \$5 million in the H-coal synthetic fuel pilot plant at Catterick, Ky., which is scheduled to begin turning out oil next month.

If the West German firm decides to buy Commercial rights to the process, it will pay Dynalene an additional \$5 million, plus a license fee for every H-coal plant built.

One California firm, founded by a local company, is looking for a local partner to develop a process for making synthetic fuel from coal, the U.S. company says.

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But French Competition Coming U.S. Bank Finds Profits in Romania

BUCHAREST, March 6 (AP-DJ) — Many Western bankers expressed skepticism when Manufacturer's Hanover Trust of New York opened a branch office in Bucharest in 1974. Even today, the office remains the only Western bank branch in the Eastern European Communist bloc.

But with the bank's obvious profitability, Manufacturer's Hanover will face its first competition this spring — a Bucharest branch planned by Societe Generale, the big French bank.

Unlike the representative offices that various Western banks have established in the Soviet bloc, Manufacturer's Hanover is authorized to conduct certain banking services. It does a big business, for instance, in confirming and advising on letters of credit for Romania's exports and imports.

Work Unconventional

Still, because Romania is a socialist country — although in many ways a maverick one — the branch's authority is limited and the work somewhat unconventional. The bank is permitted to do business only in U.S. dollars. Thus, it has little contact with Romanians, who are not permitted to own dollars.

Despite the handicap, however, the initial team of managers, after hard negotiating with Romanian authorities, managed to establish the terms for a workable operation. The branch turned a profit in its second year and has continued to do so nicely.

Branch manager Harry Folk says the worsening international climate has not affected the Bucharest branch, which has 20 staff members, most of them

Romanian. But many banks have become "very skittish" about Eastern Europe, he adds.

Bankers, he said, are concerned over the uncertainty of Yugoslavia's leadership after Marshal Tito and over Poland, which is "borrowed to the hilt."

Carter's Ban

What's more, he said, the Carter administration's responses to the Soviet intervention in Afghanistan are affecting Eastern Europe. The actions — including a ban on the sale of some high-technology goods to the Soviet Union — are not specifically directed against Eastern Europe.

However, Mr. Folk said, sales to East bloc countries are being scrutinized very carefully to make sure that goods are not being sold there for reshipment to the Soviet Union.

He added that this is particularly affecting the number of U.S. businessmen interested in the East bloc countries. "You've got to realize that big companies who stand to lose major contracts in the Soviet Union are pretty skittish over the whole thing," he said.

In Bucharest, though, it is business as usual for Manufacturer's Hanover. Even before the Afghan crisis, the branch did not rely so much on U.S. business. "The U.S. is just not all that active in Eastern bloc trade," Mr. Folk said.

"By being here, we have expanded our business in the Middle East and Southeast Asia," he explained. "You have to look at who [Romania's] trading partners are and realize that's where our business is."

Dollar Rides Rise In Interest Rates

LONDON, March 6 (AP-DJ) — The dollar rose against all major currencies today despite massive efforts by European central banks to stem the rise. Dealers attributed the surge to record high interest rates in the U.S. that have resulted from concern the United States might be headed toward a credit crunch.

Much of the action centered on trading in large dollar deposits in the interbank market. In early trading, three-month deposit rates rose by one percentage point to 18.56 percent offered. In the afternoon, this rate briefly touched 19 percent before settling back to 18.875 percent for an overnight gain of a staggering 1.32 points.

The market was rife with rumors about further interest rate increases being introduced in the United States, including the possibility that the Federal Reserve will start to charge a "penal rate" for bank borrowing at its discount window.

said its monthly auction of 444,000 ounces of gold brought an average price of \$641.23.

In late afternoon money market dealings in New York, Treasury bill rates rose sharply to new all-time highs. Reuters reported. Yields on three-month Treasury bills rose to 15.75/65 percent from the 15.42/38 percent at the opening and the close yesterday of 15.30/26 percent.

Yields on the six-month bill breached 15 percent and on the year bill rose above 14 percent, both for the first time. Yields on the six-month bills opened at 14.94/90 percent before rising to 15.15/05 percent compared with yesterday's close of 14.82/78 percent. The year bill started at 14.00/13.96 percent and rose to 14.15/05 percent compared with 13.90/86 percent yesterday.

NYSE Prices Fall Sharply

NEW YORK, March 6 — Prices on the New York Stock Exchange suffered their worst setback this year based on the total of declining issues, as rising interest rates and inflation discouraged investors.

Declines overwhelmed advances to 10 to 1, the worst ratio since last October, and the Dow Jones industrial average lost 16.81 points to 828.07. Analysts said continued weakness in the oil group and the high cost of carrying stock positions on credit convinced traders it was time to take what profits remained to them.

Noting that the broker loan rate put the cost of buying stock on credit at about 20 percent, one analyst said: "We are seeing liquidation of [margin] accounts, what with high interest rates and profits being whittled away."

The retreat carried virtually every industry group lower and included auto, steel, defense, rail, computer, drug, copper, aluminum and gold and silver issues. The last two groups, which often rise when the stock market falls, were hurt when bullion prices declined on news the student militants holding Americans in Iran were ready to turn the hostages over to the ruling Revolutionary Council.

Firestone Tire & Rubber said its recall of radial 500 tires will be extended indefinitely. The company said the recall was originally scheduled to expire April 1.

Companies increasing their quarterly dividend included Bank Building & Equipment to 28 cents a share, BP Canada to 25 cents, Canada to 10, Fieldcrest Mills to 50, First American Corp. to 20, J.B. Ivey & Co. to 21 and the Sun Co. to 90.

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House-Senate Group Acts to Boost Fed

WASHINGTON, March 6 (AP) — House and Senate conferees took sweeping action yesterday to expand the Federal Reserve Board's powers over all banks in a move that would strengthen the government's weaponry against inflation.

The conferees also acted to remove limits on passbook interest rates after six years and to encourage bank regulators to boost rates at least 2.25 percentage points over the same period.

The House-Senate group agreed to a proposal requiring all banks to set aside a fixed percentage of non-interest-bearing deposits to the Fed. This could limit the amount of credit available to consumers because banks might have less money to lend. But it would stem what officials describe as an alarming exodus of banks from the Federal Reserve System, a trend that weakens

the Fed's ability to control inflation by regulating the money supply.

The conferees also voted to authorize banks and thrift institutions nationwide to offer NOW accounts, which allow customers to draw checks on their savings accounts. Currently, NOWs are legal only in New England states, New York and New Jersey.

Passbook Accounts

In agreeing to phase out rate ceilings on passbook accounts, the conferees attempted to meet complaints from small savers angry over earning relatively little interest, compared with persons rich enough to invest in Treasury bills or 6-month money market certificates. But the compromise falls short of urging from many small-saver groups, who wanted quicker and stronger relief.

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WASHINGTON, March 6 (AP-DJ) — The U.S. Export-Import Bank is exploring an expansion of its export credit guarantee programs to cover loans made by U.S. or foreign banks in Deutsche marks, Swiss francs or yen to help finance sales of U.S. equipment and services to buyers abroad.

Currently, the U.S. export credit agency approves all its own direct loans and guarantees of private bank export credits in U.S. dollars. But the Ex-Im Bank's top officials, at a meeting scheduled for Friday, will discuss whether the Ex-Im Bank should offer U.S. exporters and foreign buyers the option of foreign-currency loan guarantees whenever, for example, it appears that the interest-rate on a dollar-denominated loan is "uncompetitive" with the rate for a loan that might be denominated in foreign currencies.

The Ex-Im Bank has been discussing this with both large and small banks in the United States and with some foreign bankers as well since last July, and has gotten a mixed reaction. Some of the smaller regional U.S. banks in the have told the Ex-Im Bank that, with foreign-currency loan guarantees, foreign banks might take business away from U.S. banks in the financing of export transactions, instead of helping U.S. manufacturers to generate additional export sales.

The idea of Ex-Im Bank guarantees covering private bank loans, here or abroad, that provide for disbursements and repayments in foreign currencies to help finance U.S. exports is not directly linked to "floating" interest rates for such loans. But many U.S. bankers ap-

Ex-Im Bank Is Exploring Credits in Eurocurrencies

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parently have informed the U.S. agency that they would not be interested in offering fixed-rate foreign currency loans, except in instances where they could, in effect, lay off these loans to the Ex-Im Bank.

Ex-Im Bank president John Moore Jr. has been discussing for some time the possibility of Ex-Im Bank guarantees for private export credits other than fixed-rate loans. But current high U.S. interest rates and other factors makes it unlikely that anything will happen soon on that.

Private Export Loans

If the Ex-Im Bank decides to offer guarantees for non-dollar private export loans, they would be limited in several ways.

For example, they would not cover short-term export sales (those with repayment terms of 180 days or less), and the Ex-Im Bank would not want to assume exchange-rate risks during the bidding or delivery period leading up to the completion of U.S. export transactions.

However, the Ex-Im Bank's guarantees would come into play in the event of a default by a borrower; in such circumstances, the Ex-Im Bank would pay the claims of the lending institution or U.S. exporter in the currencies that were used in the original loan arrangements.

All the technicalities aside, the Ex-Im Bank's basic idea is that it wants to try to open up broader channels for the financing of U.S. exports of goods and services, even though the proposals may have to be restudied and reworked after the Ex-Im Bank's board of directors reviews them.

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and Rich

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Alcoa, which is owned by a consortium of American and European companies, has agreed to pay \$1 million for a one-year option to buy European rights to Dynalene's process called H-coal.

It is the first time that a U.S. company has sold such rights to a foreign company. The West German firm, Ruhrkohle, has agreed to invest \$5 million in the H-coal synthetic fuel pilot plant at Catterick, Ky., which is scheduled to begin turning out oil next month.

If the West German firm decides to buy Commercial rights to the process, it will pay Dynalene an additional \$5 million, plus a license fee for every H-coal plant built.

One California firm, founded by a local company, is looking for a local partner to develop a process for making synthetic fuel from coal, the U.S. company says.

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In 1978, the current account, which includes trade in merchandise and so-called invisibles such as services, showed a surplus of £392 million.

The surplus on invisibles fell to £275 million in 1979 from a surplus of £245 million in 1978.

In the fourth quarter, the invisibles surplus dropped to £71 million from an upwardly revised surplus of £255 million in the third.

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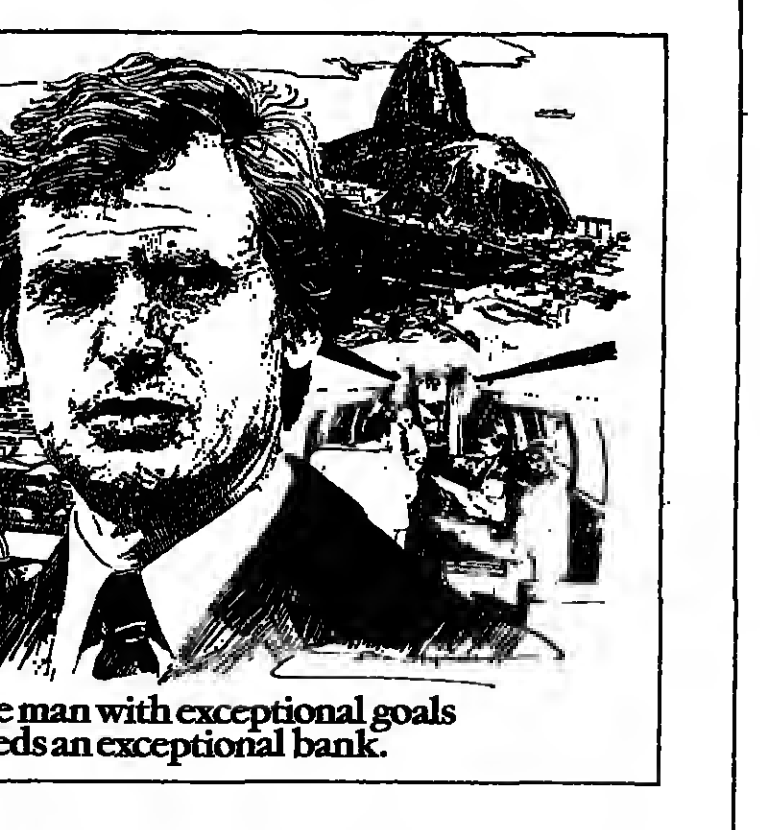
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Company Reports

Revenue, Profit in Millions
and Corporate, unless otherwise indicated

Company	1979	1978
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Alcoa	23.38	14.80
Alcoa	0.0444	0.0282
Alcoa	1.170	1.030
Alcoa	30.41	46.89
Alcoa	0.0957	0.0893



The man with exceptional goals needs an exceptional bank.

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What makes TDB exceptional? Above all, our personal service.

Personal service is more than a tradition at TDB—it's one of the basic reasons for our success. And it makes an important difference to our clients, in a number of ways.

In fast decisions, for example. At TDB you don't have to waste time going through "channels." The executive you talk to makes sure that your requirements are brought directly to the people who decide. We assign an experienced bank officer to your account, and he is personally responsible for seeing that

your instructions are carried out to the letter. Whether your business requires trade and export financing, precious metals, or any of our full range of banking services, you'll find that TDB has something a bit special to offer. As part of the Trade Development Bank Holding Group, we're ready to serve you in most of the world's financial centers.

TDB Holding Group: US \$5.9 billion in assets; US \$512 million in capital and loan funds employed, as of June 30, 1979.

Key Group offices: Geneva, London, Paris, New York (Republic National Bank of New York). Other offices in Bern, Bogotá, Buenos Aires, Caracas, Chicago, Frankfurt, Hong Kong, Luxembourg, Mexico City, Miami, Montevideo, Nassau, Panama City, Rio de Janeiro, Santiago de Chile, São Paulo, Tokyo.

Trade Development Bank

As TDB has grown, it has maintained the tradition of personal service that is one of its major strengths. Experienced account officers coordinate the bank's worldwide activities to serve individual clients effectively, wherever they do business.

UNION INVESTMENT, Frankfurt

- 1d Unirento	DM 31.68
- 1d Unirentes	DM 16.64
- 1d Unirent	DM 42.18
- 1d Unirentes	DM 22.56
- 1d Unirentes	DM 11.38
- 1d Europafoods	DM 23.83

- New: N.A. - Not Available; BF - Belgium France; LF - Luxembourg France; S - Swiss France; - Offer prices; A - Asked; - Bid Change P/V 510 to 31 p/unt, 5/3 - Stock Split; - Ex RTS: "S" Supplemented; N.C. - Not communicated; - - - - - 8 - 8 o'clock

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12 Month Stock		51s.	Close	Pre
High	Low	Div. In \$	Yld. P/E	100s. High Low Quot. Close

- **Sales figures are unprofitable**
- **—New Yearly loss, vs. —New Yearly high.**

Unless otherwise noted, rates of dividends in the foregoing table are annual disbursements based on the last quarterly or semi-annual declaration. Stockholders of such dividends or payments not designated as regular are identified in the following categories:

- **—A—Annex or extras.** • **B—Annual rate plus stock dividend.**
- **—C—Liquidating dividend.** • **—D—Deferred or paid in arrears in preceding 12 months.**
- **—E—Deferred or paid over a period of 12 months.** • **—F—Paid this year, dividend omitted, deferred or no action taken at said dividend meeting.** • **—G—Deferred or paid this year, on occurrence of a certain event.** • **—H—Deferred or paid over a period of 12 months plus stock dividend.**
- **—I—Paid in stock in preceding 12 months.** • **Estimated cash value on —J—dividend or on distribution date.**
- **—K—Ex-dividend or ex-rights.** • **—L—Ex-dividend and sales in full.**
- **—M—Sales in full.**
- **—N—Called.** • **—O—When distributed.** • **—P—When issued.** • **When issued, when first called, without warrants.** • **—Q—Ex-distribution.**
- **—R—In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.**

Yearly highs and lows reflect the averages 12 months plus the high and low when said averages were in force.

When a sell or sell short dividend amounting to 25 per cent or more of the stock was paid, the dividend is designated as "dividend" or "dividend" as shown for the new stock only.

European Gold Markets

Final

The Great Wall of China - from World's selection of wonders of the world

domestic financing needs, talk to the wholesale banker from WestLB first. He is backed by more than DM 85 billion in total assets.

IU International Corporation

[illegible][illegible]

Merrill Lynch, Pierce, Fenner & Smith Incorporated

the 1990s, the number of people in the world who are illiterate has increased from 1.2 billion to 1.5 billion. The number of illiterate people in the world is expected to reach 1.7 billion by the year 2015. The number of illiterate people in the world is expected to reach 1.7 billion by the year 2015.

000-0760; Banco do Brasil Investimentos S.A., Rio de Janeiro, Tel. 2558923

U.S. Commodity Prices

[illegible]

00 (ba.) cents per lb.					
r	139.00	139.00	137.70	137.05	-3.70
y	139.00	140.00	137.00	137.50	-3.30

[illegible]

Market Summary

[illegible]

	Close	Close
Volume (in millions)	49.61	56.45

[illegible]

Industrial	73.39	72.01	72.01	-1.17
Transp.	55.91	54.85	54.85	-1.23
Utilities	33.96	33.54	33.56	-0.48

1980	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1981	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1982	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
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1984	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1985	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1986	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1987	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1988	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1989	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1990	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1991	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
1992	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215																																																																																					

American Most Actives

[illegible]

Declined	811	30
Volume Down (millions)	5.73	3.9
Unchanged	164	19
	845	87

[illegible]**FUTURES DOW JONES**
The South New York Industrial Index Fund[illegible]

179	13	Printer	3.50	4.5	0	12%	0.12%	12%	—	76	179	14	Printer	3.50	4.5	0	12%	0.12%	12%	—	76
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[illegible]

[illegible]

Solution to Previous Puzzle

K	A	E	R	A	T	S	P	A	N
N	A	N	T	H	E	L	I	C	A
K	A	N	T	R	A	C	I	T	E
L	I	A	N	A	B	L	A	S	A
N	A	S	I	C	S	C	I	E	N
C	E	I	N	S	A	D	I	S	M
A	L	P	S	I	F	T	R	A	T
D	A	R	G	A	I	N	E	S	E
A	N	I	O	T	H	I	N	E	S
S	A	N	T	E	E	O	L	E	O
C	A	V	E	N	T	O	F	F	R
S	K	I	P	E	R	N	A	I	L
T	A	P	E	E	N	T	O	N	S
E	L	A	N	S	E	A	R	S	T
W	E	L	N	S	T	H	I	A	E

	C	F		C	F		
ALGARVE	15	9	Fair	MADRID	15.9	Cloudy	
AMSTERDAM	3	45	Cloudy	MIAMI	24	75	Cloudy
ANKARA	-1	30	Cloudy	MILAN	24	75	Rain
ATHENS	4	43	Rain	MONTREAL	4	21	Cloudy
BEIRUT	18	55	Overcast	MOSCOW	-3	23	Rain
BELGRADE	6	45	Overcast	MUNICH	8	46	Overcast
BERLIN	4	41	Foggy	NEW YORK	3	37	Fair
BRUSSELS	7	45	Rain	OSLO	13	57	Cloudy
BUCHAREST	1	35	Overcast	OSLO	14	34	Snow
BUDAPEST	6	43	Cloudy	PARIS	7	45	Rain
CASABLANCA	17	43	Overcast	PRAGUE	7	45	Overcast
CHICAGO	14	43	Overcast	PRAGUE	13	55	Overcast
COSTA DEL SOL	4	44	Cloudy	SOFIA	-1	38	Overcast
DUBLIN	8	46	Rain	STOCKHOLM	5	41	Cloudy
EDINBURGH	5	41	Rain	TEHRAN	12	54	Cloudy
FLORENCE	8	41	Fair	TEHRAN	18	64	Cloudy
FRANKFURT	7	45	Rain	TOKYO	25	75	Overcast
GENEVA	4	48	Shamers	TURIN	17	43	Cloudy
HELSINKI	1	34	Foggy	VIENTNA	7	45	Fair
HONGKONG	19	59	Overcast	VIENNA	5	46	Fair
ISTANBUL	5	41	Cloudy	WASHINGTON	8	46	Cloudy
LAS PALMAS	19	66	Overcast	ZURICH	9	48	Overcast
LEBON	15	59	Overcast				
LONDON	15	59	Overcast				
LOS ANGELES	15	59	Showers				

*Yesharath's readings U.S. and Canada on 17
 GMT; Houston and Los Angeles on 20 GMT

Thunderstorm

Rain

Snow

Front Movement

Warm Front

Cold Front

Occluded Front

Quasi-Stationary Front

DOONESBURY

"Registered as a newspaper at the Post Office"
"Printed in Great Britain"

"WANTA HEAR A GOOD ONE? THAT QUARTER YOU GAVE ME TURNED OUT TO BE A DOLLAR!"

By Alan Truscott

North side was vulnerable. The bidding:

South	West	North	East
1♠	Pass	1♠	Pass
2NT	Pass	2NT	Pass
3NT	Pass	Pass	Del.
Pass	Pass	Pass	

West led the diamond four.

South won in dummy with the ace, and played another spade. East won and played a club, but too late. South took his ace, and since West was reduced to two hearts and a diamond winner, he was set up for an end play. A diamond lead forced him to play from the heart ten of the 12th trick.

A club return would have beaten the contract at this point, provided West was careful to unblock his king under South's ace. But East made an error by returning the spade king.

South won in dummy with the ace, and played another spade. East won and played a club, but two later South took his ace, and since West was reduced to two hearts and a diamond winner, he was set up for a second play. A diamond lead forced him to play from the heart ten at the 12th trick.



European Soccer

Berlin Beats Nottingham Forest

ANDON, March 6 (AP) — Dy- reader even as they defend the title, Nottingham Forest, the English soccer team, has been beaten by the East German team, Berlin, in a 1-0 victory in the first round of the European Cup. The East German team, Berlin, has been beaten by the English team, Nottingham Forest, in a 1-0 victory in the first round of the European Cup. The East German team, Berlin, has been beaten by the English team, Nottingham Forest, in a 1-0 victory in the first round of the European Cup.

Ali Agrees to Fight Tate

KNOXVILLE, Tenn., March 6 (UPI) — Muhammad Ali, the 38-year-old former world heavyweight champion, has agreed to fight John Tate, the World Boxing Association heavyweight champion, in late June, possibly in Taiwan, according to Tate's manager.

Spain Defeats Belgium

ALMERIA, Spain, March 6 (UPI) — Spain defeated Belgium, 2-0, yesterday in a qualification soccer match for the Summer Olympics.

Erving Discovers His Old Self — and Brings Back His Old Show

By Carrie Seidman
NEW YORK (NYT) — In May of 1976, after Julius Erving had helped the New York Nets win their second American Basketball Association championship, Dave DeBusschere was asked whether the star could perform his soaring leaps and twisting drives in the more established National Basketball Association.

ABA Standings

Team	W	L	Pct.	GB
Philadelphia 76ers	23	17	.574	—
San Antonio Spurs	22	18	.556	1
Portland Trail Blazers	21	19	.525	2
Phoenix Suns	20	20	.500	3
Los Angeles Lakers	19	21	.475	4
Golden State Warriors	18	22	.450	5
San Diego Clippers	17	23	.429	6
Seattle SuperSonics	16	24	.400	7
Utah Jazz	15	25	.375	8
Denver Nuggets	14	26	.348	9
Minnesota Timberwolves	13	27	.325	10
San Jose Warriors	12	28	.300	11
Portland Trail Blazers	11	29	.275	12
Phoenix Suns	10	30	.250	13
Los Angeles Lakers	9	31	.225	14
Golden State Warriors	8	32	.200	15
San Diego Clippers	7	33	.175	16
Seattle SuperSonics	6	34	.150	17
Utah Jazz	5	35	.125	18
Denver Nuggets	4	36	.100	19
Minnesota Timberwolves	3	37	.075	20
San Jose Warriors	2	38	.050	21
Portland Trail Blazers	1	39	.025	22
Phoenix Suns	0	40	.000	23

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Alabama Tops Penn State In Front of Meager Crowd

UNIVERSITY, Ala., March 6 (UPI) — Had it been a football game, it would have attracted national attention — but last night's matchup between Alabama and Penn State was an National Invitation Tournament basketball game that attracted a crowd of only 7,416 and little notice of any kind.

College Basketball

Alabama 67, Lafayette 56
Jeff Lamp and Ralph Sampson hit 19 points apiece and Virginia scored the first 10 points of the second half and went on to dump Lafayette. Sampson grabbed a game-high 13 rebounds.

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Wayne Cammeyer ducks but shortstop Guy Sularz makes the play at Minnesota Twins spring training site in Orlando, Fla.

Hisle Back in the Lineup

By Dave Anderson
SUN CITY, Ariz., March 6 (NYT) — The beauty of spring training is not the warm sun or the palm trees. The beauty of spring training is that every team is in first place.

But calmly, almost casually, the Milwaukee Brewers believe they also will be in first place in the American League East when the season ends — ahead of the Baltimore Orioles, last year's pennant winners, and ahead of the New York Yankees and the Boston Red Sox, the two other primary contenders.

More to the point, how good is the Brewers' bullpen?
With a rotation of Mike Caldwell, Larry Sorensen, Jim Clayton, Bill Travers and Moose Haas, the Brewers had 61 complete games last season, the most in the American League, but the bullpen provided only 23 saves, low in the league except for the two last place teams, Oakland and Toronto.

According to Dalton and Bamberger, the Red Sox chances will probably depend on the health of Carlton Fisk, the catcher with a sore arm, and Bill Campbell, the reliever pitcher with a sore arm.

Bamberger hospitalized
SUN CITY, Ariz., March 6 (UPI) — Bamberger complained of chest pains today and was admitted to hospital here.

NBA Draft June 10
NEW YORK, March 6 (UPI) — The National Basketball Association's college draft will be held June 10, commissioner Lawrence O'Brien announced.

